

TRANSCRIPT OF RECORD.

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SUPREME COURT OF THE UNITED STATES

ARGUED FIRST TERM 1922

No. 190

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A. BOERJOIS & COMPANY, INC., PETITIONER,

vs.

ANNA KATZEL.

---

ON WRIT OF HABEAS CORPUS TO THE UNITED STATES CIRCUIT COURT  
OF APPEALS FOR THE SECOND CIRCUIT

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RECEIVED BY THE CLERK OF THE SUPREME COURT  
JANUARY 10, 1923

(31,530)

(28,530)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1921.

No. 575.

A. BOURJOIS & COMPANY, INC., PETITIONER,

*vs.*

ANNA KATZEL.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT  
OF APPEALS FOR THE SECOND CIRCUIT.

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1 *Equity Subpœna.*

The President of the United States of America to Anna Katzel,  
Greeting:

You are hereby commanded to appear before the Judges of the District Court of the United States of America for the Southern District of New York, in the Second Circuit, to answer a bill of complaint exhibited against you in the said Court in a suit in Equity, by A. Bourjois & Co., Inc., and to further do and receive what the said Court shall have considered in this behalf; and this you are not to omit under the penalty on you of Two Hundred and fifty dollars (\$250).

Witness, Honorable Learned Hand, Judge of the District Court of the United States for the Southern District of New York, at the City of New York, on the 4th day of November in the year one thousand nine hundred and twenty, and of the Independence of the United States of America the one hundred and forty-fifth.

ALEX. GILCHRIST, Jr.,  
*Clerk.*

BRIESEN & SCHRENK,  
*Plaintiff's Sol'rs.*

The defendant is required to file her answer or other defense in the above cause in the Clerk's office of this Court, on or before the twentieth day after service hereof excluding the day of said service; otherwise the bill aforesaid may be taken *pro confesso*.

ALEX. GILCHRIST, Jr.,  
*Clerk.*

2 *Bill of Complaint.*

In the United States District Court, Southern District of New York.

A. BOURJOIS & Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

The plaintiff, for its bill of complaint against the defendant, alleges and says upon information and belief:

1. The full name, citizenship and residence of the plaintiff are as follows: A. Bourjois & Co., Inc., a corporation duly organized and existing under the Laws of the State of New York and a citizen of said State, said plaintiff residing and having a place of business and office at No. 35 West 34th Street, New York City.

2. The full name of the defendant is Anna Katzel, who is, as the plaintiff is informed and believes, and therefore alleges, a citizen of



the State of New York and a resident of the Borough of Bronx, New York City, having her pharmacy or place of business at No. 706 Fairmont Place, Borough of Bronx, New York City.

3. The jurisdiction of the Court depends upon the Act of February 20, 1905, as amended, known as the Trade Mark Laws of the United States.

3           4. On or about July 5, 1913, A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs, a firm composed of Ernest Wertheimer, Paul Wertheimer and Pierre J. Wertheimer, all of Paris, France, the firm having an office and doing business at Paris, France, and also in the United States of America, by virtue of a large, long established business on the part of themselves and their predecessors commenced and continuously conducted for more than ten years next preceding February 20, 1905, and beginning approximately in 1879, was the sole and exclusive owner for and throughout the United States of America and the various states thereof of certain trade marks, trade names and the good will appurtenant thereto relating to various toilet preparations and particularly toilet powder or face powder, together with numerous certificates of registration of the United States Patent Office for said trade marks, especially the following:

15,983.	Registered	November 6, 1888 (Java),
69,143.	"	May 19, 1908 (A. Bourjois
		& Cie and monogram),
89,313.	"	December 3, 1912 (Java top
		and side label).

5. That on or about said July 5, 1913, the said firm of A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs, did grant, sell and convey to the plaintiff, A. Bourjois & Co., Inc. and said plaintiff did purchase from said A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs for and in consideration on the part of the plaintiff of an obligation to pay, among other things, Four hundred thousand dollars (\$400,000.00) in money, the entire business heretofore and then being carried on by said A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs, in the United States, to wit, the sale of the various toilet preparations manufactured and sold by said A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs, in the United States of America, together with the good will of said business in the United States, and also any and all trade marks, trade names and trade mark rights relating thereto in the United States and also the sole and exclusive right to manufacture and sell in the United States any and all toilet preparations then made by the said A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs.

6. That the plaintiff being thus, by virtue of the said purchase, the sole and exclusive owner for the United States of America, of the trade mark "Java" for toilet preparations, and particularly face powder, and the good will appurtenant thereto, together with the good will and trade mark rights appurtenant to the boxing, packing

and labeling of such powder and the trade marks and good will inherent in all such label markings carried by said boxes, did continue the business theretofore conducted in the United States by its aforesaid assignor continuously since the date of said purchase and on a very large scale, expending many hundreds of thousands of dollars, in advertising, in supervising the product, in maintaining its grade, standard and excellence, in selecting and controlling the color tints thereof and in many other ways appropriate to the proper manufacture, packing and distribution of merchandise of this nature, so that ever since 1913 the public throughout the

5 United States have purchased from this plaintiff in large and increasing quantities exceeding hundreds of thousands of boxes each year, "Java" face powder, and the public know and recognize and call for such powder under the said trade mark "Java" and recognize said trade mark as the identifying mark of this plaintiff's powder, the same being true with respect to the other labels and insignia of plaintiff's package, a specimen of which is herewith produced and made a part hereof and marked "Exhibit A"; by virtue of which facts and the excellence of plaintiff's powder, it has enjoyed and now does enjoy the high regard of the public to its great benefit and advantage.

7. That the trade marks aforesaid, registered by the plaintiff's assignor and their predecessors, were duly transferred to the plaintiff by proper assignments recorded by the Patent Office in Washington and at all times since July, 1913, were and are the sole and exclusive property of the plaintiff.

8. That since the plaintiff's acquisition of the said exclusive property rights for the United States with respect to such face powder labels, trade marks, good will, etc., the plaintiff has itself registered its said trade marks, of which it is the sole and exclusive owner for the United States, in the Patent Office of the United States, receiving therefor certificates as follows:

99,940. September 29, 1914 (Java),  
110,632. June 6, 1916 (Side Label),  
111,177. July 4, 1916 (Bottom Label),

6

120,330. February 5, 1918 (Bourjois),  
122,674. September 10, 1918 (Bottom Label, more recent form),  
125,930. July 15, 1919 (Top Label and Side Label),

all as will more fully appear from copies of the said registrations produced herewith and made a part hereof as "Exhibits B to G" inclusive.

9. That the defendant in order to secure unto herself a part of the benefits and good will which are rightfully the exclusive property of this plaintiff throughout the entire United States, did lately procure or cause to be procured in markets foreign to the United States boxes of face powder shaped, marked and labeled in close

simulation to the boxes of this plaintiff and did in commerce with the United States and foreign countries as aforesaid, cause said goods to be brought into the United States and thereupon offered them for sale and is selling the same at her place of business and has been delivering or offering to deliver the same to purchasers in New York and adjacent states, all in infringement of the said registered trade marks. A specimen of the defendant's box complained of is produced herewith and made a part hereof as "Exhibit H."

10. The plaintiff further states that the defendant's said wrongful acts have caused and will cause great, irreparable injury and damage, the amount of which this plaintiff cannot precisely state but which is estimated at in excess of Fifty thousand dollars (\$50,000.00).

11. The value of the trade mark "Java" and its adjunct trade marks for the United States exceeds Five hundred thousand dollars (\$500,000.00) in value and that the matter in dispute, exclusive of interests and costs, exceeds the sum or value of One hundred thousand dollars (\$100,000.00).

Wherefore the plaintiff prays:

(a) That a writ of subpoena issue out of this Court directing her to appear and answer this complaint; (b) that an injunction, both provisional and perpetual, issue out of this Court directed to said defendant; her servants, agents, attorneys and workmen, enjoining and restraining them and each of them from engaging, directly or indirectly in any interstate or foreign commerce with respect to any face or toilet powder in connection with which there is printed or used a reproduction, copy or colorable imitation of the trade mark "Java" (in infringement of trade mark registration, No. 99,940, dated September 29, 1914), or of the trade mark "Bourjois" (in infringement of trade mark registration No. 110,632 of June 6, 1916), or of any of the trade marks covered by certificates No. 111,177 of July 4, 1916, No. 12,330 of February 5, 1918, No. 122,674 of September 10, 1918, and No. 125,930 of July 15, 1919, and from selling, offering for sale, importing, delivering or otherwise disposing of any face or toilet powder marked or identified in any way as "Java", "Bourjois" or under any of plaintiff's registered trade marks; (c) that defendant be required to deliver to the

8 Marshal of this Court for destruction all boxes, labels, packages or containers containing any such infringing matter; (d) that the defendant be directed to account for and pay over to this plaintiff profits made by her by reason of the said infringements, together with the damages suffered by the plaintiff thereby and the costs and disbursements of the suit.

BRIESEN & SCHRENK,

*Solicitors for Plaintiff.*

No. 25 Broad Street, New York, N. Y.

HANS V. BRIESEN,

*Of Counsel.*

Exhibit "B"

# UNITED STATES PATENT OFFICE.

A. BOURJOIS & CO. INC., OF NEW YORK, N. Y.

TRADE-MARK FOR TOILET POWDERS.

99,940.

Registered Sept. 29, 1914.

Application filed June 12, 1914. Serial No. 79,026.

## STATEMENT.

*To all whom it may concern:*

Be it known that A. Bourjois & Co. Inc., a corporation duly organized and existing under and by virtue of the laws of the State of New York, located in the borough of Manhattan, city and State of New York, and doing business at the northwest corner of Irving Place and Sixteenth street, in the borough of Manhattan, city and State of New York, has adopted and used the trade-mark shown in the accompanying drawing, for Toilet Powders, in Class 6, Chemicals, medicines, and pharmaceutical preparations.

The trade mark has been continuously and exclusively used in the business of said corporation and in the said business of its predecessors, E. Wertheimer & Cie., A Bourjois

& Cie. and Alexandre N. Bourjois since January 1879.

The trade mark is used by being printed or otherwise produced on labels which are attached to boxes and packages containing the goods.

The said corporation A. Bourjois & Co. Inc. is the present owner of United States trade mark registrations: No. 15,983 of November 6, 1888 obtained by said Alexandre N. Bourjois and No. 89,313 of December 3, 1912 obtained by E. Wertheimer & Cie. and all rights thereunder.

A. BOURJOIS & CO. INC.,

By OTTO v. SCHRENK,

*Its Secretary.*

## JAVA

### DECLARATION.

State of New York, county of New York, ss:  
OTTO v. SCHRENK being duly sworn, deposes and says, that he is the secretary of A. Bourjois & Co. Inc., the applicant named in the foregoing statement; that he verily believes that the foregoing statement is true; that he believes the said A. Bourjois & Co. Inc. to be the owner of the trade mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has the right to use said trade mark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that the trade mark is used by said A. Bourjois & Co. Inc. in commerce among the several States of the

Union, and particularly between the States of New York and New Jersey, and that the description; drawing and specimens presented for record truly represents the trade mark sought to be registered, and that the said mark has been in actual and exclusive use as a trade mark of the applicant and its predecessors from whom it derived title for ten years next preceding February 20th, 1905.

OTTO v. SCHRENK.

Sworn to and subscribed before me this 30th day of May, 1914.

[L. s.]

FRED A. KLEIN,  
*Notary Public.*

Copies of this trade-mark may be obtained for five cents each, by addressing the "Commissioner of Patents, Washington, D. C."

EXHIBIT C, ATTACHED TO COMPLAINT.

Exhibit "C"

# UNITED STATES PATENT OFFICE.

A. BOURJOIS & CO., INC., OF NEW YORK, N. Y.

TRADE-MARK FOR FACE-POWDER.

110,632.

Registered June 6, 1916.

Application filed January 22, 1916. Serial No. 92,322.

## STATEMENT.

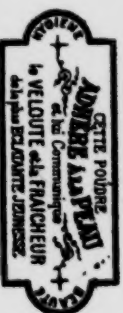
*To all whom it may concern:*

Be it known that A. BOURJOIS & Co., Inc., a corporation duly organized and existing under and by virtue of the laws of the State of New York, located in the borough of Manhattan, city and State of New York, and doing business at the northwest corner of Irving Place and Sixteenth street, in the borough of Manhattan, city and State of New York, has adopted and used the trade-mark shown in the accompanying drawing, for face-powder, in Class 6, Chemicals, medicines, and pharmaceutical preparations.

The trade mark has been continuously used in the business of said corporation and in the business of its predecessors since January, 1879.

The trade mark is applied or affixed to the goods by being printed or otherwise produced upon labels which are attached to boxes and packages containing the goods.

A. BOURJOIS & CO., INC.,  
By OTTO V. SCHRENK,  
*Secretary.*



## DECLARATION.

State of New York, county of New York, ss.:  
OTTO V. SCHRENK, being duly sworn, deposes and says, that he is the secretary of A. BOURJOIS & Co., Inc., the applicant named in the foregoing statement; that he verily believes that the foregoing statement is true; that he believes said corporation to be the owner of the trade mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has a right to use said trade mark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that the trademark is used by said corporation in commerce among the several States of the Union, and particularly be-

tween the States of New York and New Jersey; that the description and drawing presented truly represent the mark sought to be registered; that the specimens show the mark as actually used upon the goods; and that the mark has been in actual use as a trade mark of the applicant and applicant's predecessors from whom title was derived for ten years next preceding February 20, 1905, and that, to the best of his knowledge and belief, such use has been exclusive.

Subscribed and sworn to before me, this 17th day of January, 1916.  
[L. s.] JOSEPH T. MCNAIR,  
*Notary Public.*



Exhibit "D"

**WATSON & CO., INC., OF NEW YORK, N. Y.**

**' TRADE-MARK FOR FACE-POWDER.**

141,177.

Application filed January 23, 1916. Serial No. 92,321.

**INTERNET**

The trade mark has been continuously used in the business of said corporation and in the business of its predecessors since January, 1879.

The trade mark is applied or affixed to the goods by being printed or otherwise produced upon labels which are attached to boxes and packages containing the goods.

**A. BOURJOIS & CO., INC.,**  
**By OTTO v. SCHRENK,**  
*Secretary.*



State of New York, county of New York, ss.:  
OTTO V. SCHRENK, being duly sworn, deposes and says, that he is the secretary of A. BOUJOIS & Co., Inc., the applicant named in the foregoing statement; that he verily believes that the foregoing statement is true; that he believes said corporation to be the owner of the trade mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has a right to use said trade mark in the United States, either in an identical form or in any such near resemblance thereto as might be calculated to deceive; that the trade mark is used by said corporation in commerce among the several States of the Union, and particularly be-

**ATION.**  
between the States of New York and New Jersey; that the description and drawing presented truly represent the mark sought to be registered; that the specimens show the mark as actually used upon the goods; and that the mark has been in actual use as a trade mark of the applicant and applicant's predecessors from whom title was derived for ten years next preceding February 20, 1905, and that, to the best of his knowledge and belief, such use has been exclusive.

Subscribed and sworn to before me, this  
17th day of January, 1916.  
JOSEPH T. MCNAIER,  
[L. s.] *Notary Public.*

Copies of this trade-mark may be obtained for five cents each, by addressing the "Commissioner of Patents and Trademarks," Washington, D. C.

Exhibit "E"

# UNITED STATES PATENT OFFICE.

A. BOURJOIS & CO., INC., OF NEW YORK, N. Y.

TRADE-MARK FOR CERTAIN NAMED TOILET PREPARATIONS.

120,330.

Application filed September 19, 1917. Serial No. 106,308.

Registered Feb. 5, 1911.

## STATEMENT.

*To all whom it may concern:*

Be it known that A. BOURJOIS & Co., INC., a corporation duly organized under the laws of the State of New York, located and doing business at 35 West 34th street, in the borough of Manhattan, city and State of New York, has adopted and used the trade-mark shown in the accompanying drawing, consisting of the word "Bourjois," for toilet preparations, as follows, face-powder, toilet powder, sachet-powder, rice powder, talcum powder, toilet waters; perfumes, used either pure or as an ingredient in toilet preparations in admixtures with suitable substances in the form of pastes, salves, soaps, powders, pencils, and liquids; rouges, (liquid, powder, and compact,) pomades, pomade sticks, hair-wax, eyebrow-pencils, nail-enamels,

nail-polishes, nail-acids, nail-powders, lip-sticks, lip-pomades, hair-dressing, hair-oil, hair-pomades, hair dyes and bleaches, cologne, perfumed toilet extracts, brillantine, face-cream, toilet cream, mouth-washes, Class 6, Chemicals, medicines, and pharmaceutical preparations.

The trade mark has been continuously used in the business of said corporation, and in the business of its predecessors from whom title was derived, since 1860.

The trademark is applied or affixed to the goods by being printed or otherwise produced upon the labels attached to the packages containing the goods.

A. BOURJOIS & CO., INC.,

By OTTO V. SCHRENK,  
*Secretary.*

## Bourjois

## DECLARATION.

State of New York, county of New York,

ss.:

OTTO V. SCHRENK, being duly sworn, deposes and says, that he is the secretary of A. BOURJOIS & Co., INC., the applicant named in the foregoing statement; that he verily believes that the foregoing statement is true; that he believes said corporation to be the owner of the trade-mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has the right to use said trade-mark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that the trade-mark is used by said corporation in commerce among the several States of the Union, and particularly between the States of New York and Illinois and in commerce between the United

States and foreign nations or Indian tribes, and particularly with France; that the description, drawing and specimens (fac-similes) presented for record truly represent that the specimens sought to be registered, and that the specimens show the trade-mark as actually used upon the goods, and that the mark has been in actual use as a trade mark of the applicant and applicant's predecessors in business, from whom title was derived, for ten (10) years next preceding February 20, 1905, and that, to the best of his knowledge and belief, such use has been exclusive.

OTTO V. SCHRENK.

Sworn to and subscribed before me this  
18th day of Sept., 1917.

[L. S.] JOSEPH T. MCNAIER,  
*Notary Public.*

A. BOUËJOIS & CO., INC., OF NEW YORK, N. Y.

**TRADE-MARK FOR FACE-POWDER.**

**Registered Sept. 10, 1918.**

Application filed December 18, 1917. Serial No. 108,031.

***To all whom it may concern:***

Applicant is the owner of trade mark registration 111,177 granted to it on July 4, 1916.

The trade mark is applied or affixed to the goods by being printed or otherwise produced upon labels which are attached to the bottom of the boxes in which the goods are packed and sold, or it is otherwise applied or affixed to the boxes or packages containing the goods.

A. BOURJOIS & CO., INC.,  
By OTTO V. SCHRENK,  
*Secretary.*



**State of New York county of New York ss.:**  
**OTTO V. SCHRENK**, being duly sworn, deposes and says that he is the secretary of A. Bonaiois & Co., Inc., the applicant named in the foregoing statement; that he verily believes that the foregoing statement is true; that he believes said corporation to be the owner of the trade-mark sought to be registered; that no other person, firm, corporation or association, to the best of his knowledge and belief, has the right to use said trade-mark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that the trade-mark is used by said corporation in commerce among the several States of the Union, and particularly between the States of New York and Illinois:

that the description, drawing and specimens presented for record truly represent the trade-mark sought to be registered; and that the specimens show the trade-mark as actually used upon the goods; and that the mark has been in actual use as a trade mark of the applicant and applicant's predecessors from whom title was derived for ten years next preceding February 20, 1906, and that, to the best of his knowledge and belief, such use has been exclusive.

OTTO v. SCHRENK.

Sworn to and subscribed before me this  
17th day of December, 1917.

[L. 8.]

**FRED A. KLEIN,**  
*Notary Public.*

Copies of this trade-mark may be obtained for five cents each, by addressing the "Commissioner of Patents, Washington, D. C."



EXHIBIT G, ATTACHED TO COMPLAINT.

Exhibit "G"

## UNITED STATES PATENT OFFICE.

A. BOURJOIS & CO., INC., OF NEW YORK, N. Y.

TRADE-MARK FOR FACE-POWDER.

125,930.

Registered July 15, 1919.

Application filed October 9, 1918. Serial No. 113,588.

### STATEMENT.

*To all whom it may concern:*

Be it known that A. Bourjois & Co., Inc., a corporation duly organized and existing under the laws of the State of New York, located and doing business at No. 35 West 34th street, in the borough of Manhattan, city and State of New York, has adopted and used the trade-mark shown in the accompanying drawing, for face-powder, in Class 6, Chemicals, medicines, and pharmaceutical preparations.

The trade-mark has been continuously used in applicant's business and in the business of applicant's predecessors, since January 3, 1879.

Applicant is the owner of trade mark registration No. 89,813 granted to its immediate predecessor in business, the firm of E. Wertheimer & Cie. on December 3, 1912, and of the good will of the business in which

said trade mark is used. The assignment by the registrant to applicant is recorded in the United States Patent Office under date of November 6, 1915 in Liber I 98, page 424.

The applicant is also the owner of trade mark registration No. 15,988 granted to one of its predecessors in business, Alexandre Napoleon Bourjois on November 6, 1888, and of the good will of the business in which said trade mark is used.

The trade mark is applied or affixed to the goods by being printed or otherwise produced upon labels which are attached to the boxes in which the goods are packed and sold, or it is otherwise applied or affixed to the boxes or packages containing the goods

A. BOURJOIS & CO., INC.

By OTTO V. SCHRENK,

*Secretary.*



### DECLARATION.

State of New York county of New York ss.:

OTTO V. SCHRENK being duly sworn, deposes and says, that he is the secretary of A. Bourjois & Co., Inc., the applicant named in the foregoing statement; that he verily believes that the foregoing statement is true; that he believes said corporation to be the owner of the trade-mark sought to be registered; that no other person, firm, cor-

poration or association, to the best of his knowledge and belief, has the right to use said trade-mark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that the trade-mark is used by said corporation in commerce among the several States of the Union, and particularly between the States of New York and New

STATE OF NEW YORK,  
*County of New York, ss:*

B. M. Douglas, being duly sworn, deposes and says:

I am general manager of the plaintiff A. Bourjois & Co., Inc., and as such am familiar with the facts of this case. I have read the foregoing complaint and know the contents thereof and the same is true of my own knowledge except as to the matters therein alleged on information and belief and as to such matters I believe it to be true.

B. M. DOUGLAS.

Sworn to before me this 4th day of November, 1920.

[SEAL.]

ALICE WEAVER,  
*Notary Public, Queens County.*

Certificate filed in New York County.

(Here follow Exhibits "B," "C," "D," "E," "F," and "G," marked pages 9, 10, 11, 12, 13, and 14.)

EXHIBIT G, ATTACHED TO COMPLAINT.

15

*Order to Show Cause*

In the United States District Court, Southern District of New York

A. BOURJOIS & Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

Upon reading the bill of complaint filed in this cause and inspecting the exhibits referred to therein, it is

Ordered, that the Marshal of this Court take an inventory of face powder boxes in the possession of the defendant like or similar to "Exhibit II" referred to in the complaint and file the same with the records of this cause; and it is further

Ordered, that the defendant be, and the same hereby is, ordered to exhibit to the said Marshal each and every face powder box like or similar to the said exhibit in her possession, or under her control and to afford the Marshal all facilities for taking a proper and complete inventory of all of such boxes wherever the same may be

whether in defendant's immediate possession or in the possession of any other person or concern holding the same for or on behalf of the said defendant; and it is further

Ordered, that the defendant show cause on November 12th, 1920, why a preliminary injunction should not issue as prayed for pending the determination of this suit, and that the defendant's affidavits, if any, be served on plaintiff's solicitors on or before November 10th, 1920, and that the plaintiff have to November 12th, 1920, to serve answering affidavits.

This order to show cause is hereby made returnable at the Call of the Regular Motion Calendar to be heard at Room 235 in the Old Post Office Building in the Borough of Manhattan on November 12, 1920, at 10 A. M. or as soon thereafter as counsel can be heard. Copies of the bill of complaint, this order and the plaintiff's affidavit shall be served on defendant or on the person in charge at her place of business on or before November 5, 1920. The exhibits to be retained in custody of plaintiff's counsel, subject to inspection of defendant or her attorney at all reasonable business hours.

November 4th, 1920.

JULIUS M. MAYER,  
U. S. District Judge.

17

*Affidavit of Harry B. Grubb.*

United States District Court, Southern District of New York.

A. BOURJOIS &amp; Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,  
*County of New York, ss:*

Harry B. Grubb, being duly sworn, says:

I have been associated with A. Bourjois & Co., Inc., the plaintiff company, since its incorporation in 1913 as assistant to the manager, and am thoroughly familiar with the entire facts relative to the commercial distribution of our "Java" face powder. From the moment of the organization of the company, that company was extremely energetic in the matter of placing upon the market face powder under the "Java" trade mark. We have sold this powder, so marked, in practically every state of the union and in enormous quantities. The "Java" face powder is among the most popular face powders on the market and the business runs to more than a million of boxes a year. Naturally we have done a great deal of advertising, our expenses in that respect, relating directly to "Java"

face powder, having been far in excess of One hundred thousand dollars (\$100,000.00). Our product is in such great popular demand that it has frequently been made the object of imitation and I identify herewith as Exhibits I to L, some of the specimens of the imitations which we have been compelled to proceed against and which in the course of the last seven years have been suppressed. I have inspected the box "Exhibit A" attached to the complaint and state that that is the regular standard box of genuine "Java" face powder as it is made and sold by our company, and as it has been made and sold by our company for some time past. Prior to the time that the labels on this box had their precise present phraseology, our boxes were marked with labels wholly similar and differing only in phraseology which since then has undergone revision. Defendant's box "Exhibit H" to the complaint is not one of our boxes.

HARRY B. GRUBB.

Sworn to before me this 3rd day of November, 1920.

[SEAL.]

FRED A. KLEIN,

*Notary Public, Richmond County.*

Certificate filed in New York County.

*Affidavit of John W. Kane.*

United States District Court, Southern District of New York.

A. BOURJOIS & Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,  
County of New York, ss:

John W. Kane, being duly sworn, says:

That his occupation is salesman; that at the request of A. Bourjois & Co., Inc., he recently visited the place of business of Anna Katzel at No. 706 Fairmont Place, Bronx and there purchased one dozen boxes of "Java" face powder and that "Exhibit H", referred to in the complaint, is one of the boxes so purchased.

JOHN W. KANE.

Sworn to before me this 3rd day of November, 1920.

[SEAL.]

FRED A. KLEIN,  
Notary Public, Richmond County.

Certificate filed in New York County.

*Answer.*

United States District Court, Southern District of New York.

A. BOURJOIS & Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

The defendant, for her answer to the Bill of Complaint in the above entitled action.

First. Denies knowledge or information sufficient to form a belief with respect to the truth of each and every allegation contained in the paragraph of article numbered "1" of said complaint.

Second. Admits each and every allegation contained in the paragraph or article numbered "2" of said complaint.

Third. Denies knowledge or information sufficient to form a belief with respect to the truth of the allegation contained in the paragraph or article numbered "3" of said complaint.

Fourth. Denies knowledge or information sufficient to form a belief with respect to the truth of each and every allegation contained in the paragraph or article numbered "4" of said complaint.

21 except that, upon information and belief, she admits that for many years prior to July 5th, 1913, A. Bourjois & Cie d

Paris, France, used certain trade marks and trade names relating to a toilet or face powder called "Java" and contained in a "Java" top and side label and a label A. Bourjois & Cie and monogram.

Fifth. Denies knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in the paragraph or article numbered "5" of said complaint.

Sixth. Denies knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in the paragraph or article numbered "6" of said complaint.

Seventh. Denies knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in the paragraph or article numbered "7" of said complaint.

Eighth. Denies knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in the paragraph or article numbered "8" of said complaint.

Ninth. Denies knowledge or information sufficient to form a belief as to the truth of the allegation contained in the paragraph or article numbered "9" of said complaint as states that a specimen of defendant's box complained of is produced and made a part of said complaint and marked "Exhibit H", and denies each and every other allegation contained in said paragraph or article numbered "9" of said complaint.

22 Tenth. Upon information and belief denies each and every allegation contained in the paragraph or article numbered "10."

Eleventh. Denies knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in the paragraph or article numbered "11" of said complaint.

For a separate defence to the said Bill of Complaint the defendant

Twelfth. Repeats each and every the defences contained in the foregoing paragraphs or articles of this Answer numbered "First" through "Eleventh" inclusive, as if the same were herein fully and at length set forth.

Thirteenth. Upon information and belief, alleges that prior to July 5th, 1913, A. Bourjois & Cie or its or their successors were, and they still are, engaged in Paris, France, in the manufacture and sale of a toilet or face powder known as "Java" or "Poudre de Riz de Java", boxed, packed and labelled in the manner shown in a specimen box herewith produced and made a part of this Answer and marked "Defendant's Exhibit 1."

Fourteenth. Upon information and belief alleges that prior to July 5th, 1913, said toilet or face powder was imported into, and sold extensively in and throughout the United States, in boxes packed and labelled in the manner shown in the aforesaid specimen box marked "Defendant's Exhibit 1."

23 Fifteenth. Upon information and belief alleges that at various times between January and July, 1920, through her duly authorized agent, defendant purchased in the open market in Paris, France, boxes of said genuine toilet or face powder manufactured by A. Bourjois & Cie, of Paris, France, known as "Java" or "Poudre de Riz de Java", which boxes were shaped, marked and labelled in the manner shown in the aforesaid box marked "Defendant's Exhibit 1"; that said purchases were made without condition or restriction as to the ultimate destination or disposition of said goods; that said goods were imported into the United States consigned to the defendant, and that defendant proposes to offer the same for sale to the public in the United States as the genuine toilet or face powder, as manufactured, boxed, packed and labelled by said A. Bourjois & Cie of Paris, France, and known as "Java" or "Poudre de Riz de Java".

Wherefore, the defendant prays judgment that the Bill of Complaint herein may be dismissed with costs.

JOHN B. DOYLE,  
*Solicitor for Defendant.*

No. 34 Pine Street, New York, N. Y.

24 STATE OF NEW YORK,  
*County of New York, ss:*

Anna Katzel, being duly sworn deposes and says:

I am the defendant herein. I have read the foregoing answer and know the contents thereof, and the same is true to my own knowledge except as to the matters therein alleged on information and belief, and as to such matters I believe it to be true.

ANNA KATZEL.

Subscribed and sworn to before me this 10th day of November 1920.

[SEAL.]

FRANCIS X. NICASTRO,  
*Notary Public.*

25 *Affidavit of Anna Katzel.*

United States District Court, Southern District of New York.

A. BOURJOIS & Co., INC., Plaintiff,  
against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,  
*County of New York, ss:*

Anna Katzel, being duly sworn says:

I am the defendant in the above-entitled matter, and reside at No. 706 Fairmont Place, Borough of Bronx, New York City. I am a



registered pharmacist, and for the past ten years have been and am now the sole owner and proprietor of a pharmacy located at the above address.

I have read the plaintiff's papers in the above entitled matter, including the bill of complaint, affidavit of Harry B. Grubb sworn to November 3rd, 1920, and affidavit of John W. Kane, sworn to November 3, 1920. I beg to make a part of my papers in opposition to this motion, my answer duly verified November 10, 1920.

On or about November 4th, 1920, when I was served with plaintiff's papers and the accompanying order of November 4, 1920, at my place of business, as aforesaid, a man representing himself to be a United States Deputy Marshal accompanied by two other men whose identity was not disclosed to me made a search of said premises and took an inventory of certain boxes of "Java" face powder thereon. The boxes of "Java" face powder on said premises were of two kinds, namely, (a) boxes identical in size, shape and color, and as to the labels and stamps thereon with "Defendant's Exhibit 1", referred to in and made a part of my answer herein, except that the term "Blanche" or "Naturelle" or "Rose" was printed on some of the bottom labels and not the term "Rachel" as appearing on defendant's "Exhibit I"; and (b) boxes identical in size, shape and color and as to the labels and stamps thereon with a specimen box, herewith produced and made a part of this affidavit, and marked defendant's "Exhibit II", except that the term "Rachel" or "Blanche" or "Rose" was printed on some of the bottom labels and not the term "Naturelle" as appearing on "Defendant's Exhibit II". Said terms "Blanche", "Naturelle", "Rose", and "Rachel" signify the tint or color of the powder contained in said boxes.

I have not purchased or procured by importation or otherwise, nor have I sold or offered for sale at any time "Java" face powder, except in boxes identical with either "Defendant's Exhibit I" or "Defendant's Exhibit II", as aforesaid.

All "Java" face powder in boxes identical with "Defendant's Exhibit I", as aforesaid, has been offered for sale and sold by me as genuine "Java" face powder manufactured, boxed, packed and labeled by A. Bourjois & Cie of Paris, France; and for reasons hereinafter stated I believe the same to be the genuine article and not an imitation, copy or counterfeit.

Upon information and belief, the sources of my information and the grounds of my belief being statements made to me by my husband, Leon J. Katzel, whose affidavit sworn to November 9, 1920, is submitted herewith, all boxes of "Java" face powder identical with "Defendant's Exhibit I", as aforesaid, now or heretofore owned by me, were bought by my husband, as my purchasing agent, in the open market in Paris, France, as genuine "Java" face powder manufactured, boxed, packed and labeled by A. Bourjois & Cie of Paris, France; that on two different trips to France, and at five different times, namely, in January, April, May, June and July, 1920, my husband purchased said face powder from two



reputable concerns in Paris, France, dealing in perfumery and toilet preparations; that said concerns held forth, represented and sold the same as genuine "Java" face powder, manufacturer, boxed, packed and labeled by A. Bourjois & Cie of Paris, France; that my husband purchased said face powder together with other merchandise from each of said concerns, and shipped the same to me in the United States and the same was imported by me at various times into the United States.

All "Java" face powder in boxes identical with "Defendant's Exhibit II", as aforesaid, now or heretofore owned by me, were bought by me at various times since July 5, 1913, from jobbers or dealers in the United States. I am informed and believe that said face powder was made in France, and packed in the United States, the sources of my information and the grounds of my belief being the printed statement appearing on the bottom label of "Defendant's Exhibit II" and all boxes of "Java" face powder similarly put up, viz.: "Made in France—packed in the U. S. A.". Said "Java" face powder is cheap in price, and common in quality, and has been bought by me for Four and 50/100 dollars (\$4.50) per dozen in the United States, and sold at retail in the United States at from thirty-nine cents (39¢) to fifty cents (50¢) per box.

The sources of my information and the grounds of my belief regarding the sale of "Java" face powder in the United States before and since 1913, as alleged in my answer herein, are observations made by me in handling said goods as a pharmacist during the past ten years and statements made to me by my husband in the course of his business formerly as a pharmacist and latterly as an importer.

I am informed by my husband and believe that the plaintiff recently attempted to induce the United States Customs Authorities at New York to refuse entry into this country or delivery to me by the Customs Authorities of the said "Java" face powder purchased through my husband in Paris, France, claiming that said importations would constitute an infringement of its trade mark in the United States; but that said Authorities, being satisfied that said powder was the genuine "Java" face powder, manufactured, boxed, packed and labeled by A. Bourjois & Cie of Paris, France, refused the demands of the plaintiff and informed it that the importation of a genuine article of foreign manufacture, though trade marked in the United States, did not constitute an infringement of trade marks; that notwithstanding said ruling and advice of the Customs Authorities, the plaintiff thereafter instituted this suit and procured the order of November 4, 1920, under color of which it caused my place of business to be searched, and has put me to much trouble, annoyance and expense in defending this action; and I therefore believe that this suit is not brought against me in good faith, but solely to harass and oppress me in my business, and with full knowledge that I have infringed no right of the plaintiff in the premises.

As pleaded in my answer, I have no knowledge or information whatsoever regarding any transactions between A. Bourpois & Cie or others and the plaintiff; nor am I interested therein. All purchases and sales made by me of "Java" face powder, manufactured, boxed, packed and labeled as shown by "Defendant's Exhibit I", were made by me in good faith, first, because my customers prefer said powder in the genuine French package, and second, because said powder so put up costs less than that packed in the United States.

ANNA KATZEL.

Subscribed and sworn to before me this 10th day of November, 1920.

[SEAL.]

FRANCIS X. NICASTRO,  
Notary Public.

30 *Bills Attached to Affidavit of Anna Katzel.*

Aux Parfumeries Reunies,  
10 Boulevard Bonne-Nouvelle, Paris.

E. Mazurier.

Toutes les Marques de Parfumeries Francaises & Etrangeres,  
Depot des Parfums Extra-Fins de P. Brecher.

Paris, le 6 Janvier, 1920.

M. Leon Katzel, Doit les Marchandises ci-apres Payables a Paris.

Quantite.

12 douzaines, savons R. G. ....	29.40	352.80
3 " poudre Java .....	19.80	59.40
		<hr/>
		412.20
20% .....		82.45
		<hr/>
		329.75
4 Casses—emballage net .....		48.50
		<hr/>
		378.25

Pour acquit 5 Janvier, 1920.

E. MAZURIER.

31 (Billhead of E. Mazurier, Perfumer.)

Paris, le 5 Janvier, 1920

Monsieur Leon Katzel, Doit les Marchandises ci-apres Payables  
Paris.

Quantite.

250	Boites poudre Coty	5.50	1,375.00
24 dz.	" " Java	19.80	475.20
30	" " " Anthea	39.00	1,170.00
72	" Crayons Doim	6.00	432.00
18	" Pommades Roger Gallet	10.80	194.40
			<hr/>
20%			3,646.60
			<hr/>
			729.60
			<hr/>
36 dz.	Poudres Piver	54.00	2,917.20
			<hr/>
			1,944.00
			<hr/>
39	" Poudres Piver	54.00	4,861.80
11	" " Java	19.80	2,106.00
20%		43.55	10,000.00
			<hr/>
			174.35
			<hr/>
			7,141.15
			<hr/>
			500.00
			<hr/>
			6,641.15

Recu

Pour acquit 5 Janvier, 1920.

E. MAZURIER.

(Timbre de Quittance.)

32

(Billhead of E. Mazurier, Perfumer.)

Paris, le 30/4, 1920.

Monsieur Katzel, New York, Doit les Marchandises ci-apres Payables  
a Paris.

Quantite.

Resport .....		6,418.20
3 Cœur de Jeanette.....	19.00	57.00
3 Chpyre Ideal .....	13.00	39.00
3 extraits Houbryant .....	15.00	45.00
3 " " .....	8.00	24.00
2 brillante Pinaud .....	2.20	26.40
2 Lotion " .....	6.00	72.00
27 dz. pommades levres.....	12.00	324.00
3 extraits Violette Parme.....	11.75	35.25
1 Coffret Ideal .....		77.00
1 dz. brosses a dent.....		10.00
10 " poudre Java .....	25.00	250.00
10 " brosses a dent.....	30.00	1,200.00
6 " " " " .....	25.00	150.00
		<hr/>
		8,727.85
20% .....		1,745.45
		<hr/>
Net .....		7,082.40

33

## Specialites en Parfumeries.

C. Rignier,

9 Faubg. Poissonniere.

Paris, le 31 Mai, 1920.

Monsieur Katzel.

12 dz.	Extrait No. 1089 Viol. P.....	68.90	826.8
48 "	Poudre Anthea 1316.....	44.00	2,112.0
2 "	Extr. Fl. d'Amour 3786.....	307.00	614.0
2 "	" " Souv. de la Cour.....	355.90	711.8
100 "	Pommade rosat .....	8.50	850.0
19 "	Savon oeillet 795.....	28.50	541.5
2 "	Poudre serie bleue.....	18.00	36.0
1 "	" " Ideal oeillet.....	28.50	28.5
2 "	Savon Piver .....	43.20	86.4
5 "	Poudre " .....	54.00	270.0
4 "	¼ Extrait Piver .....	126.25	536.8
1 "	Lotion " .....	84.85	84.8
½ "	Extrait Corylopsis .....	81.85	40.9
200 "	Poudre Java .....	27.00	5,400.0
2 "	Eau de quinine Pinaud.....	28.85	57.7
Timbre	.....	0.40	9.0

12,206.7

Pour acquit Paris, le 1er Juin  
C. REGNIER.

(Timbre de Quittance.)

## Specialites en Parfumeries.

C. Regnier,

9 Faubg. Poissonniere.

Paris, le 16 Juin, 1920.

Monsieur Katzel, Rue Rouget de Lisle, Paris.

Emballage—Cerclage des 6 Caisses.....		20.00	
Assurance— “ “ 5 “ .....		37.00	
Port— “ “ 5 “ .....		25.75	
Emballage de .....		175.00	
16 dz. Poudre Java.....	24.00	384.00	
4 “ “ “ .....	27.00	108.00	
1 Coffret Gloire de Paris.....	136.00	136.00	
1 “ Bridalis .....		121.50	
1 “ Rose Paul Neyron.....		109.50	
1 “ Fleur d'Amour .....		55.00	
1 “ Rose Rouge .....		66.00	
1 dz. Savons 795.....		28.50	
/6 “ Raziors No. 150.....	144.00	24.00	
/6 “ “ “ 71.....	87.00	14.50	
/6 “ “ “ 80.....	87.00	14.50	
/6 “ “ “ 68.....	80.00	14.00	
36 “ Extraits assortis R. G.....	68.80	2,476.80	
27 “ 3/4 “ “ R. G.....	103.75	2,879.10	
3 “ “ “ Serie Vera-Viol .....	94.75	284.25	
a Reporter.....		6,973.40	

35

## Specialites en Parfumeries.

C. Regnier,

9 Faubg. Poissonniere.

Monsieur Ketzal, 6 Rue Rouget de Lisle, Paris.

	Emballage .....		145
14	Coffrets R. G. ....	16.00	224
6	dz. ½ Extraits Piver .....	126.25	820
1	" Poudre a sachet .....	37.80	37
5	" " Piver .....	54.00	270
300	" " Java .....	25.50	7,650
19	" ½ Poudre Java .....	24.00	468
500	" Pommade Rosat .....	11.00	5,500
5	Coffrets N 6 Gloire de Paris .....	136.00	680
5	" N 7 Bridalis .....	106.00	530
6	" 3794 Fl. d'Amour .....	55.00	330
6	" 4334 Rose Rouge .....	66.00	396
6	" 4094 Nuguet .....	66.00	396
6	" 4354 Fleur du Passe .....	77.00	462
6	" N 9 Bridalis-Violette Rubie .....	80.50	483
12	" N 10 Rose Paul Neyron—Oeillet— Cyclamen .....	40.00	480
2	Salvia, 2 Vera Violette, 2 Nuguet de Mai, 2 Oeillet Marguerite, 1 Indian Hays, 1 Heliotrope bleue, 1 giroflie, 1 Peau d'Es- pagne.		

18,872

*Affidavit of Leon J. Katzel.*

United States District Court, Southern District of New York.

A. BOURJOIS & Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,

County of New York, ss:

Leon J. Katzel, being duly sworn says:

I am the husband of the defendant herein, and reside at 706 Mirmont Place, Borough of the Bronx, New York City. I have been a registered pharmacist for the past twenty-five years (25), during which time I have worked in or owned and operated several pharmacies in the State of New York and elsewhere in the United States. Since 1918, my principal business has been importing perfumery, toilet preparations, toilet articles and druggists' sundries of foreign manufacture.

In the course of my business as an importer, I have made two trips to France for the purpose of buying merchandise of the above mentioned character, and while in France I bought for and shipped Anna Katzel, the defendant herein, merchandise of such character. Between January and July, 1920, I made several purchases of "Java" face powder in the open market in Paris, France, from two reputable perfumery merchants. From one, whom I designate "A" for the reasons hereinafter set forth, I purchased twenty-four (24) dozen boxes of said face powder. He is a retail merchant, with an established business of long standing and high reputation in the trade in Paris. From the other whom I designate "B" for like reasons, I purchased five hundred and sixteen (516) dozen boxes of said face powder. Said merchant has an extensive wholesale establishment of long standing and good reputation in the trade in Paris. The reason why I designate said merchants herein as "A" and "B," and not by their proper names, is because, I believe that the present action is not maintained by the plaintiff in good faith but to enable me to communicate with A. Bourjois & Cie of Paris, France, or some other interests in France for the purpose of harassing any merchants in said City who sell "Java" face powder to buyers who import the same into the United States and offer it for sale to the public in the United States at a lower price than that demanded by the plaintiff; and that, if the plaintiff does not succeed in the present action, it will also in the above or some other manner seek to shut off the defendant's supply of said "Java" face powder, and prevent her and me from deriving the profits and benefits to which we are entitled by reason of the enterprise, energy and money that we have put into the establishment of said import business. As evidence of the defendant's and my good faith, I beg leave to submit to the Court



upon the argument or final submission of this motion, in a sealed envelope for the Court's inspection only, the true names of the above merchants designated "A" and "B," together with the bills covering my purchases of said "Java" face powder and other extensive pur-

38 chases made of them by me between January and July, 1923. Said boxes of "Java" face powder so purchased by me in Paris, France, were in all respects the same as "Defendant's Exhibit I," which I have examined, except that there are four different colors designated "Blanche," "Naturelle," "Rose" and "Rachel"; and all said powder was purchased by me as genuine "Java" face powder, manufactured, boxed, packed and labeled by A. Bourjois & Cie of Paris, France, and was so represented by the sellers. Said purchases were made by me without condition or restriction of any kind as to the ultimate destination of said powder or the disposition of said powder by me. I shipped said boxes of "Java" face powder to my wife, Anna Katzel, in the United States and the same has been imported at various times into the United States by said Anna Katzel.

While in Paris, France, on numerous occasions I saw boxes of "Java" face powder openly offered for sale in several department stores and perfumery establishments, and said boxes of powder so offered were in all respects the same as "Defendant's Exhibit I," except for the variation in color designation, as aforesaid. Among other places where I saw such boxes of powder offered for sale were the Galleries Lafayette, Printemps, Samaritan, Troi Quartie, department stores in Paris, France. I know that said box of "Java" face powder is a well-known and widely sold article in Paris, France.

The landed cost in the United States of said boxes of "Java" face powder bought by me in Paris, including import duty, amounts to about Three dollars (\$3.00) per dozen boxes. The "Java" face powder represented to be put up in the United States by the 39 plaintiff, A. Bourjois & Co., Inc., of New York, costs Forty and 50/100 dollars (\$4.50) per dozen boxes.

For many years I have been familiar with "Java" face powder sold in France and in the United States. As sold in France during said time, said powder was put up in boxes in all respects the same as "Defendant's Exhibit I," except for the variation in color designation, as aforesaid. Prior to July 5, 1913, as sold, dealt in and used in the United States, said powder was also put up in boxes in all respects the same as "Defendant's Exhibit I," except for the variation above mentioned. Said powder has always been cheap in price, and common in quality as compared with other face powder in the United States and French markets.

I am familiar with the prices of all well-known face powders of French manufacture which are in demand in the United States and know that the fact to be that the retail trade in and about New York requires a much superior article to "Java" which retails at from thirty-nine cents (39c) to fifty cents (50c) per box. As a rule the consumers in said locality rely for the most part upon the following well-known brands: Djer Kiss, Coty, Piver, Mary Garden, Houbigant, and Roger and Gallet, which powders retail at from seven-

five cents (75c) to Two and 25/100 dollars (\$2.25) per box. Prior to July 5, 1913, "Java" face powder was sold at retail in the United States as low as eighteen cents (18c) per box.

LEON J. KATZEL.

Subscribed and sworn to before me this 9th day of November, 1920.

[SEAL.]

FRANCIS X. NICASTRO,  
*Notary Public.*

40

*Affidavit of H. C. Stuart.*

United States District Court, Southern District of New York.

A. BOURJOIS & Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,

*County of New York, ss:*

H. C. Stuart, being duly sworn, says:

I am Special Deputy Collector of Customs at the Port of New York.

The question of the right of importation of certain boxes of Java face powder, imported by Anna Katzel, through the American Express Company, as being in violation of the registered trade mark of A. Bourjois & Co., Inc., of New York, was recently passed upon by this office. In view of the report of the Government Examiner, that the powder was the genuine article, and not a copy or simulation thereof, it was decided under the authority of *Gretsch Mfg. Co. v. Schoening*, 238 Fed. 780, to be entitled to entry.

H. C. STUART,  
*Spec. Dep. Collector.*

Sworn to before me this 10th day of November, 1920.

[SEAL.]

C. A. UNGER,  
*Notary Public of Kings and New York Counties.*

41

*Affidavit of William A. McDevitt.*

United States District Court, Southern District of New York.

A. BOURJOIS &amp; Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,

*County of New York, ss:*

William A. McDevitt, being duly sworn says:

I am in the United States Customs Service at the Port of New York, and since January 1, 1920, have been the examiner of perfumery and toilet preparations, including face powders imported from France. During said time I have had before me for examination boxes of "Java" face powder imported from France, and have seen and examined the same.

I have recently seen a box of "Java" face powder submitted to me by counsel for the defendant herein, marked "Defendant's Exhibit I." Said box appears to be in all respects the same as all boxes of "Java" face powders imported from France which have been before me for official examination. I did not open "Defendant's Exhibit I."

42 In my judgment "Defendant's Exhibit I" herein is a genuine package of "Java" face powder as put up and labeled by A. Bourjois & Cie of Paris, France. I base my judgment not only on my experience as examiner, but also on a careful comparison made between the box marked "Defendant's Exhibit I" and certain illustrations of the genuine box of "Java" face powder as packed in France, said illustrations being contained in an illustrated catalogue issued by A. Bourjois & Cie of Paris, France at page 7 thereof, which is used by me in the course of my official duties. I cannot attach said catalogue to this affidavit because it is Government property. Among other identifying marks on "Defendant's Exhibit I" indicating its genuineness are the guarantee stamp to the right of the closing band on said box, and the stamp of the "Manufacturers' Union for the Prevention of Counterfeits," to the left of the closing band on said box.

WILLIAM A. McDEVITT.

Subscribed and sworn to before me this 10th day of November, 1920.

[SEAL.]

ELYAH NEWMAN,  
Notary Public.

43

*Stipulation.*

United States District Court, Southern District of New York.

A. BOURJOIS &amp; Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

Defendant's counsel producing "Defendant's Exhibit III" with the suggestion that a stipulation be entered into covering the said exhibit, plaintiff's counsel stipulates as follows:

That boxes of substantially the same appearance and bearing substantially the same labels were marketed by the plaintiff company from 1913 to about 1916, the then existing Patent Office registrations, of which the plaintiff was the owner by assignment being, for the top label Certificate No. 89,313 of December 3rd, 1912, referred to in the bill of complaint, the trade-mark "Java" being separately registered under No. 15,983 on November 6th, 1888, of which certificate plaintiff also is and has been the record owner since its organization. The bottom label of said "Defendant's Exhibit III" is shown in the registration obtained by the plaintiff on an application filed January 22nd, 1916, No. 111,177 issued July 4th, 1916, said bottom label being the immediate predecessor of the plaintiff's present bottom label used continuously and exclusively since approximately 1916 and shown in plaintiff's registration No. 122,674 of September 10th, 1918.

Dated, November 16th, 1920.

BRIESEN & SCHRENK,  
*Attorneys for Plaintiff.*  
JOHN B. DOYLE,  
*Attorney for Defendant.*

*Reply Affidavit of Bernard M. Douglas.*

United States District Court, Southern District of New York.

A. BOURJOIS &amp; Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,  
County of New York, ss:

Bernard M. Douglas, being duly sworn, says:

That he is general manager of A. Bourjois & Co., Inc. the plaintiff, and is an officer of the company; that he has been connected

in this capacity with the plaintiff from a date shortly following plaintiff's organization in 1913; that he is entirely familiar with the face powder trade both with respect to dealers and with respect to consumers, and he knows that so far as the United States is concerned, the trade as well as the public know and recognize the trade mark "Java" as representing the merchandise packed, labeled and distributed by the plaintiff and that the trade mark "Java" whenever it appears in connection with face powders indicates to the trade and to the public generally the output of the plaintiff company; that this is true with respect to dealers and merchants generally is obvious from the circumstances that for the last seven years "Java" face powder has been distributed in enormous quantities throughout the United States solely by the plaintiff and by no one else except in some cases where infringements were attempted, in which cases, however, the infringements were invariably prosecuted and suppressed.

That so far as the public in general is concerned, possibly the best evidence of the wide spread recognition of this plaintiff as the source or origin of the face powder labeled "Java" is concerned will be found in the large volume of correspondence which comes to the plaintiff daily from all over the country from individual consumers. For the purpose of demonstrating how wide spread the public familiarity with the plaintiff as the proprietor of the "Java" trade mark is, I have picked at random from one of our files a handful of letters from consumers. These are merely representative of an unlimited quantity of other letters of the same general character in plaintiff's possession. These letters which are produced have not been specially selected but have been picked out of the file just as they happened to appear therein but at that they show a demand for the plaintiff's "Java" powder on the part of individual consumers from Martinsburg, West Virginia, Cannon Falls, Minnesota, Northfield, Vermont, New York City, Old Forge, Herkimer County, N. Y., Brockton, Mass., Postville, Iowa, New Castle, New Hampshire, Covington, Ky., Austin, Illinois, Deer Lodge, Montana, Macon, Ga., Plainfield, N. J. These letters, produced herewith, are identified as "Plaintiff's Exhibit M." It is absolutely a fact that the trade mark "Java" and the general appearance of the plaintiff boxes are recognized and accepted throughout the United States as indicating as the source and origin of the merchandise the plaintiff company, and if any of such boxes as we are accustomed to place upon the market should contain material which is not satisfactory to the consumer, the plaintiff is held responsible. The contents of the boxes is manufactured in France and as it comes to the plaintiff it is frequently found that for the purposes of the American market the powder will require special handling such as sifting or recoloring in order to meet the requirements of the American public. When it has passed the plaintiff's inspection and selection as to color adjustment, etc., and is or has been made to correspond with plaintiff's standard fineness of texture, the powder is then packed in plaintiff's boxes made in America and provided with plaintiff's labels, all printed in America, and the package then, when

completed and not before then, becomes the "Java" face powder which is known in this country and there enjoys a wide and favorable reputation. It occasionally happens that due to defective handling in transportation or otherwise, the boxes break, and occasionally too the texture of the powder may not be satisfactory to some distributors and whenever any such contingencies arise the complaint or demand for redress is made to the plaintiff, who is held responsible throughout the country for everything that is not perfect or 100% up to standard with respect to any face powder sold under the "Java" labels. As an illustration of many similar cases, we have produced herewith as "Exhibit N" a complaint of this kind sent in from a drug company in Tampa, Florida. Many other similar trade claims could be produced and "Exhibit N" is simply the most recent readily available specimen.

There have been cases in the past in which users of "Java" face powder complained that it had an injurious effect upon the complexion and any such complaints naturally are, in the first instance, asserted against the plaintiff. Upon investigation, however, it was found that whenever such complaint was made the consumer was using a counterfeit which was then, at great expense to the plaintiff company, suppressed and driven from the market. The plaintiff's genuine "Java" face powder has at all times been of standard excellence, containing materials which are in no sense injurious to the complexion but which are, if anything, beneficial thereto. If however, "Java" face powders are permitted to appear upon the market, which powders have not passed plaintiff's inspection and which have not received plaintiff's careful attention with respect to quality, ingredients, etc., the plaintiff's carefully built up business, which is very large, can be completely ruined. The defendant asserts that her "Java" powder is purchased in France but naturally the plaintiff, having no control over what takes place in France, is not responsible for the contents of those boxes and has no means of exercising control over such contents, but should there be anything amiss with the contents, the plaintiff will be held responsible therefor by the public and by all dealers. The only protection which the plaintiff has in that respect is to insist upon its trade mark rights that any face powder sold in the United States under the trade mark "Java" or under labels like or similar thereto, shall be only of plaintiff's selection, packing, etc., and shall not be permitted to appear as "Java" or under similar labels through any other source or agency than the plaintiff, which is in the United States the sole proprietor of the trade mark rights.

A circumstance that is considered very important by the affiant in this connection is the fact that the French word for face powder is "poudre de riz", which literally translated reads "rice powder". Now rice powder is an undesirable ingredient of face powders and there is no rice powder in the product which the plaintiff markets under the "Java" trade mark and the plaintiff's labels do not contain any statement that the contents is "poudre de riz" but state that the contents is "poudre Java". The public through-

out the entire United States is being and has been widely educated to realize and to believe that if a powder is "poudre de riz" or contains rice powder, it is injurious and harmful and the advertisement of one of plaintiff's most active competitors, produced herewith, "Exhibit O", shows how the public is being made to realize that they should avoid purchasing face powders containing rice powder. When, therefore, boxes of "Java" powder which the public believe emanate from our concern by reason of the appearance of the boxes and the trade mark "Java" are brought upon the American market under the designation "poudre de riz", the public will be likely to believe that the plaintiff's "Java" powder contains rice powder and the appearance of such boxes on the market as the defendant's, may also give our competitors a weapon upon the basis of which to attack our product by calling public attention to the fact that "Java" face powder is appearing upon the market as "poudre de riz".

Affiant further calls attention to the fact that many states of the United States have local pure drug acts, some of which are interpreted as making it unlawful to market a box labeled "poudre de riz" if it does not contain rice powder. If any of the boxes like defendant's boxes should appear in any of such localities, it would result in a holding or order which would apparently condemn the "Java" face powder as an unlawful commodity besides implying that the "Java" face powder probably does contain the ingredients recognized as deleterious to face powder. There are so many angles and points of view from which plaintiff is exposed to irreparable damage if boxes like the defendant's shall be permitted to be distributed in the American market, that no course is open to plaintiff except an appeal to the Courts. If, as defendant's affidavits insinuate, the defendant purchases her powder from France, there

50 is no objection whatsoever to the repacking of such powder in any boxes of defendant's selection which do not simulate the plaintiff's box, nor can there be any objection to the defendant's distributing any such powder so bought in France under labels which designate the manufacturer of the powder itself in France, but there is every objection against the defendant designating her powders as "Java" or selling them in packages similar to plaintiff's "Java" packages when the powder is not that which is recognized throughout the United States as being "Java", to wit, the product which in this country is exclusively handled, selected, controlled, packed and labeled by the plaintiff. "Java" face powder throughout the United States means face powder which appears in the market under the plaintiff's supervision and guarantee, and this conception excludes in the public mind any face powder similarly marked or labeled which has not the plaintiff's reputation and standing behind it. Every purchaser of defendant's product in the United States will undoubtedly, in the opinion of this affiant, be deceived into the belief that it emanates from the plaintiff and will in his own mind, if there is anything whatsoever wrong with the contents or the packing, hold the plaintiff responsible. Not only therefore, do the plaintiff's rights require protection but a consider



ation of the rights of the public demands that the defendant desist from distributing its simulating boxes in this country.

Whatever may be the condition in France or other countries, this affiant is not concerned with and so far as this affiant knows, the defendant is free to resell whatever she buys in France in European countries and undoubtedly the sale of defendant's boxes to defendant's agent (the details of which are concealed from this affiant by the defendant) was not made upon the understanding that the merchandise should be exported to invade the American market and there to do injury to the plaintiff's well established rights. In this line of business it is a well established custom in France that goods are not sold for resale in international commerce unless that fact is stated and noted at the time the purchase is made and such understandings, although possibly not lawful in the United States, as I understand it, are entirely lawful in France. Affiant is, therefore, of the opinion that this circumstance, coupled with the fact that defendant declines to disclose the source of her merchandise, indicates that even with respect to the defendant's purchase of the merchandise in Paris deception was probably practised and the purchase made either upon statements which mislead or upon acts which were furtively deceptive.

The plaintiff has had a great deal of trouble in suppressing counterfeits, some of which are so perfect that it is next to impossible to identify them as counterfeits. Although the suppression of such counterfeits causes great difficulties and involves large outlays for detectives and lawyers, plaintiff has been able to stamp out all of such counterfeits that have appeared upon the United States market. If, however, counterfeits should be prepared abroad and shipped into this country, the proof of counterfeiting could probably never be obtained. Affiant, therefore, greatly fears that the establishment of the defendant's position that boxes looking exactly like the defendant's boxes can be freely brought into the United States, may open the door to a counterfeiting scheme which will originate in Europe and, not injuring any European manufacturer, may go on unchecked until the evil reputation of the products marketed under the counterfeit labels in the United States will have completely destroyed plaintiff's reputation in business. Should it ever be established that boxes like the defendant's can be imported into this country and sold here despite the fact that such boxes to the public at large throughout the United States mean that they are the plaintiff's boxes and products, then the burden of proof to show that a particular box is a counterfeit would always be on the plaintiff and, of course, such a burden could not be met if the counterfeiter is sufficiently skillful, labels being only a matter of perfection of printing. Affiant is of the belief that considering the fact that defendant's boxes and the trade mark "Java" in the United States mean that the boxes are the output of A. Bourjois & Co., Inc., the New York Corporation, the plaintiff, no outsider, no matter who he is or under what circumstances he purchases or acquires similar goods, should be permitted to sell them in the United States unless they are the genuine boxes of the plaintiff.

BERNARD M. DOUGLAS.



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A. BOURJOIS & CO., INC., VS. ANNA KATZEL.

Sworn to before me this 11th day of November, 1920.

[SEAL.]

FRED A. KLEIN,

*Notary Public, Richmond County.*

Certificate filed in New York County.

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PLAINTIFF'S EXHIBIT M.

Macon, Ga., Oct. 28, 1920.

A. Bourjois & Co., Inc.,  
35 West 34th Street:

Enclosed find \$1.00 for which send Java face powder in white  
50 cts. and one in flesh 50 cts.

Yours truly,

MRS. J. W. SHINHOKER,  
445 College St., Macon, Ga.

A. Bourjois & Co.,  
New York.

DEAR SIR:

I am enclosing \$1.00 (one dollar) for which will you please send  
me two boxes of Java Face Powder. One flesh color and one  
brunette.

Oblige,

MRS. FRED MANNIX,  
Deer Lodge, Montana.

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1053 Leamington Ave.,  
Austin, Ill., Oct. 5, 1920.

A. Bourjois & Co., Inc.,  
35 W. 34th St.,  
New York City.

DEAR SIR:

Find enclosed 60 cents in stamps for postage and a fifty cent box  
of Java Face Powder.

Yours truly,

MISS S. MALMBORG.

Sept. 3rd, 1920.

A. Bourjois & Co., Inc.,  
New York.

GENTLEMEN:

Enclosed herewith please find 50c. in stamps for which I would  
like for you to send me a box of your Java Face Powder, Blanche  
shade.

Yours truly,

MISS LEONA BOGENSHUTZ,  
#15 West 19th St., Covington, Ky.

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Aug. 2nd.

A. Bourjois & Co.:

Kindly send me a large box of Java Face Powder for which I am enclosing 50 cts. & 2 stamps for postage.

Yours truly,

Miss N. BOOKMAN,  
*Hotel Wentworth, Newcastle, N. H.*

DEAR SIRs:

Postville, Iowa, Oct. 12, 1920.

Inclosed find money order for \$1.00 (and stamps for postage .03 cts.) for which please send me box of Java face powder, color "Naturelle," and box of rouge (not too dark).

I am unable to get it here.

Respectfully,

Mrs. ELIZABETH VALLIANT,  
*Postville, Iowa.*

18 Lincoln St., Brockton, Mass.

DEAR SIRs:

Enclosed please find fifty cents in two cent stamps for which send me a box of Java face Powder "Rose."

Yours truly,

GERTRUDE SHAYER.

56

Little Moose Lodge,

Adirondack League Club.

P. O., Old Forge, Herkimer Co., New York.

A. Bourjois & Co.,  
New York City.

Oct. 23, 1920.

GENTLEMEN:

Saw your adv. in Harper's Bazaar. Kindly send me 1 box Java Face Powder (Pink) Ashes of Roses (Medium).

Yours truly,

Miss H. STEVENS.

Enc. 1.00.

21 East 108 St.,

DEAR SIRs:

New York, Oct. 28, 1920.

Kindly send to the above address a box of your Java face powder, for which I enclose 50c. in stamps. I prefer white.

Your prompt attention will be greatly appreciated.

Yours very truly,

SUZANNE SMITH.

Enc.

57 Address Mrs. Lulu Tullar, #1 North Main St., Northfield, Vt.

Please find enclosed 50c. in stamps for a box of Bourjois "Java" face powder in the cream tint. Please mail to address given above as soon as possible.

Most sincerely,

MRS. LULU TULLAR.

Mineral Springs, October 13, 1920.

DEAR SIR:

I thought I would write to you for a large box 50c. Java face powder and a box of 35c. rouge. I am sending you this money to and if you haven't got it send me my money back or send me some other face powder and rouge well I guess I'll have to close.

Very truly yours,

MISS M. LA ROCHE.

Send as soon as possible.

My address: Miss La Roche, Mineral Springs Sanatorium, Cannon Falls, Minn.

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March 30th, 1920,  
P. O. Box 502,  
Martinsburg, West Va.

A. Bourjois & Company,  
New York, N. Y.

GENTLEMEN:

Please mail me two (2) boxes of your "Java" face powder.

Thanking you, I am

Very truly,

M. GANTZ.

3-30-20.

October 20, 1920.

Miss A. Daly,  
67 Summit Ave.,  
N. Plainfield, N. J.

DEAR MADAM:

We are in receipt of your letter of October 17th with enclosure of 27c. in stamps, for which you ask us to send you one Java Lip Stick. Our Lip Sticks do not bear the name Java.

We have forwarded your order and remittance to Lord & Taylor, of this city, who will promptly send you one Lip Stick No. 144N.

Thanking you for your kind order, we remain

Yours very truly,

A. BOURJOIS & CO., INC.

P. H. D. A. B.

PLAINTIFF'S EXHIBIT N.

W. G. Allen, President.

J. O. Weatherwax, Cashier.

C. O. Copp, Secretary.

Tampa Drug Company,  
South Florida's Wholesale Drug House,  
Cor. Florida Ave. and Washington St.,  
Tampa, Florida.

A. Bourjois & Co.,  
New York.

GENTLEMEN :

In rearranging and cleaning up our stock we find that we have on hand the following items of your manufacture: 1½ doz. Java Rice Po., Bursted.

These items are damaged and in an unsalable condition due to —. New labels and wrappers would be of no benefit to us as goods are unfit to send out to our trade.

We also have on hand the following—.

The labels and wrappers of these items are soiled but contents seem to be in good condition and would ask you to kindly advise disposition of these goods, believing it is to yours as well as our own mutual benefit to send out your goods in good salable condition.

Thanking you in advance for your courtesy in the matter and awaiting an early reply, we beg to remain,

Very truly yours,

TAMPA DRUG COMPANY.

In reply refer to: M.

NOTE.—The foregoing exhibit is all on a regular printed form of Tampa Drug Company, except the words "A. Bourjois & Co., New York," and "1½ doz. Java Rice Po. Bursted," which are written in pencil.

PLAINTIFF'S EXHIBIT O.

La-may Face Powder is Guaranteed Pure and Harmless.

Pure face powder cannot injure the most delicate baby skin. The trouble is, too many powders are made in the old-fashioned way, with rice powder. Rice powder is starchy, and, like bread flour, it is quickly turned into a gluey paste by the moisture of the skin. This paste clogs the cuticle, swells in the pores, causing en-

larged pores, blackheads and pimples. A specialist makes a harmless powder by using an ingredient doctors prescribe to beautify the skin. Every time you apply this improved powder you give your complexion a real beauty treatment. There is a thousand dollar guarantee of purity printed on the box, certifying it does not contain white lead, rice powder or any harmful substance. This guaranteed pure powder is called La-may (French Poudre L'Ame). Because it is pure and harmless, La-may is now used by over a million American women; it is now the most popular complexion powder sold in New York. Women who have used even the most expensive face powders say La-may stays on better than any other; they say they cannot buy a better powder than La-may anywhere at any price. There is also a La-may Talcum that prevents the souring of perspiration.

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*Reply Affidavit of John G. O'Connell.*

United States District Court, Southern District of New York.

A. BOURJOIS &amp; Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

STATE OF NEW YORK,

*County of New York, ss:*

John G. O'Connell, being duly sworn, says:

That he is of mature age and that his occupation is buyer for B. Altman & Co. in the perfumery department and that he has been engaged in this occupation for the last twenty years or more; that he is fully acquainted with conditions prevailing throughout the United States in the market which deals in face powders and with the public that are accustomed to purchase such products.

That as a person having personal familiarity with the situation and also as an individual who knows the conditions of the trade and of the public at large in this field, he testifies that the trade mark "Java" for face powder is universally recognized in the United States as the property of A. Bourjois & Co., Inc., a New York corporation which for many years past has been the sole and  
 63 exclusive distributor of face powder under that trade mark; and that the get-up and dress of the packages under which the "Java" face powder of A. Bourjois & Co., Inc. is placed upon the market are universally known and recognized throughout the United States as representing the output of A. Bourjois & Co., Inc. and that any average dealer or purchaser, seeing a box of similar get-up, would immediately associate the appearance of said box with A. Bourjois & Co., Inc., as the source or origin thereof. It is well understood that the contents of these boxes is initially manufactured in Paris by a French concern, A. Bourjois & Cie, and many face

powders manufactured by the same concern are upon the market under various trade marks, but the trade mark "Java" and the general appearance and get-up of the "Java" face powder boxes is, so far as the United States is concerned, the indication and proof that the contents while made by a French concern, emanates from the New York Company, A. Bourjois & Co., Inc., and represents the selection, special treatments, packing and get-up of the New York Company. Affiant has been shown the box claimed in this case to represent the defendant's product and he states that this box, to him, would indicate and imply, being marked with the "Java" trade mark, that A. Bourjois & Co., Inc., was responsible for its distribution and was concerned in its selection, packing, labeling, etc. If affiant had any boxes of that kind in stock in his place of business and there were any defect therein, or if any complaints were received with respect to any such boxes, he would consider that A. Bourjois & Co., Inc., the New York Corporation, were responsible and would have to make good.

JOHN G. O'CONNELL.

Sworn to before me this 11th day of November, 1920.

[SEAL.]

FRED A. KLEIN,

Notary Public, Richmond County.

Certificate filed in New York County.

*Opinion of Mayer, District Judge.*

United States District Court, Southern District of New York.

A. BOURJOIS & Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

Briesen & Schrenk, Attorneys for the Plaintiff (Hans V. Briesen, of counsel), of New York City.

John B. Doyle, Attorney for the Defendant (John B. Doyle and John R. Rafter, of counsel), of New York City.

MAYER, District Judge:

The plaintiff, a New York corporation, is the exclusive owner of certain registered trade marks for face powder, these trade marks consisting of the word "Java," and the various labels, which are carried by plaintiff's boxes and serve to identify them as plaintiff's products. Defendant's boxes, as will appear infra, are, with two differences, exact duplicates of plaintiff's boxes. In 1912, the firm of E. Wertheimer & Cie., of France, successors of A. Bourjois & Cie, also of France, had established in the United States the business in Java face powder in boxes and under labels substantially the same as those in controversy. The trade mark

"Java" was considered and favorably recognized in *Wertheimer al. v. Batcheller Importing Co.*, 185 F. R. 850. The plaintiff corporation was organized in 1913, and for a consideration, involving inter alia the obligation to pay \$400,000, bought the entire business then and theretofore carried on by A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs, in the United States, viz.: the entire good will of said business in the United States and any and all trademarks, trade names and trade mark rights relating thereto in the United States and also the sole and exclusive right to manufacture and sell in the United States any and all toilet preparations then theretofore made by the French concern. This transfer of trademarks included the transfer of the registered trade mark "Java," the top and other labels of the boxes; and all of the trade marks which the plaintiff has subsequently used were re-registered. Thus, all of these trade marks and labels are, so far as the United States is concerned, exclusively the property of the plaintiff. It appears from the papers that during the time plaintiff has been in this business, it has expended substantial sums of money for advertising and, in brief, by reason of its business methods it has succeeded in creating a wide market in the United States for its products and the boxes of face powder here under consideration are associated in the public mind with the plaintiff corporation. In other words, it appears that plaintiff has built up not only an extensive and important business, but also an excellent business reputation for the character of its goods and that the plaintiff depends in greatest measure upon its trade marks to prevent invasion of its rights.

Plaintiff, apparently from its inception, has bought and is continuing to buy the powder in bulk from the French firm, A. Bourjois & Cie., and then puts up this powder in the boxes containing the trade mark inscriptions. Plaintiff, however, may buy powder from any house and will obviously do a favorable business in connection with its trade marks, as long as it satisfies the public because one of the assets plaintiff has developed is the assurance to the public of the responsible character of any merchandise which appears upon the market under plaintiff's trade marks or in the "get-up" of plaintiff's packages. Two outstanding features of plaintiff's package are the words "Poudre Java" and "A. Bourjois & Cie."

On the argument of the motion, certain papers were inspected by the Court which fully satisfied the Court that the box or package of defendant was the genuine box or package of the French firm A. Bourjois & Cie., and that defendant had bought abroad the face powder contained in the genuine boxes or packages put up by the French firm. Those boxes or packages, the product of A. Bourjois & Cie., in France, were imported by defendant into this country.

The two differences referred to, supra, were as follows: (1) At the beginning of its business, plaintiff New York corporation put the product out under the name of "Poudre de Riz de Java." As re-

is regarded as a deleterious ingredient for face powder, plaintiff dropped the words "de riz" and adopted the words "Poudre Java." Under this latter name, plaintiff has marketed its goods for about four years last past. An inspection of plaintiff's and defendant's boxes would at once show that this difference is slight and that the ordinary purchaser would not stop to distinguish between the boxes, and, if defendant's box were a counterfeit or imitation, a Court of Equity would at once issue its injunction. In addition, if the plaintiff is right as to the undesirable nature of a rice ingredient, a label containing the words "de riz" might unfavorably affect the sale of plaintiff's product, if the purchaser associated the package with plaintiff.

(2) The second difference is that on the back of plaintiff's box or package are the following words: "Trade Marks Reg. U. S. Pat. Off. Made in France—packed in the U. S. A. by A. Bourjois & Co., Inc., of New York, Succ'rs in the U. S. to A. Bourjois & Cie. and E. Wertheimer & Cie." These words are so situated and so printed as fairly to come to the attention of the purchaser and one of affiants, who has sworn that this package is regarded by the public as plaintiff's product, is the buyer in the perfumery department of the large establishment known as B. Altman & Co.

68 As the defendant's box or package is manufactured and sold in France, the words just quoted do not appear upon it. It is urged by defendant that plaintiff's product is a misrepresentation and in the nature of a fraud upon the public in that it gives the impression that it is manufactured and put up in the original packages in France; but opposed to this argument are the affidavits submitted by plaintiff which are convincing upon the point that the boxes are identified by the public as plaintiff's product, and further, as appears *supra*, plaintiff has been careful to state upon its box or package that while the product is made in France it is packed in this country by the American firm as successors in the United States to A. Bourjois & Cie. and E. Wertheimer & Cie.

There remain for consideration, then, the important question in the case, which seems to be one of first impression, and that is whether because defendant's box is a genuine article made and sold by the French concern it can be said to constitute an infringement of the trade-marks of plaintiff, when plaintiff is the exclusive owner of these trade-marks in the United States.

In approaching the subject, it must be remembered that "the right of property in trade marks has come to be recognized as of immense and incalculable value" and that the "proprietor of a trade mark by virtue of the manufacture or offering for sale of his goods is entitled to the protection which the highest powers of the court can afford."

Scandinavia Belting Co. v. Asbestos & Rubber Works, 257 F. R. 937.

69 In Hanover Star Milling Co. v. Metcalf, 240 U. S. 403, the Court in discussing common law trade marks points out



that redress is based upon the party's right to be protected in the good will of the trade or business; and the English rule that a trade mark is not the subject of property, except in connection with an existing business, prevails generally in this country. In *Scandinavia via Belting Co. v. Asbestos & Rubber Works*, supra, the Court held that the owner of a registered trade mark can restrain its use by another though no loss of sales is shown and though there may be no fraud between the original seller and buyer of the infringing article.

This is but another way of saying that where a trade mark is used in connection with the business of a merchant and the product sells on the strength of the trade mark and because it is associated in the public mind with the plaintiff's product, such a trade mark is entitled to the strongest protection at the hands of the proper court.

Defendant's trade mark is genuine in the sense that it was not spurious at the place of origin and that no change has been made since it was sold; but, it is genuine as matter of law only if defendant has the right to sell within the territory where plaintiff is the exclusive owner of the trade mark and under the doctrine of the *Hanover Star Milling Company* case, supra, where, also, plaintiff has established the business in the product in connection with the trade mark.

The case at bar is obviously stronger than that considered in the *Hanover Star Milling Company* case. In the case at bar, plaintiff

70 has expended a large sum for the acquisition of the trade mark title and rights, and a large sum for the advertisement of its business. Plaintiff had corralled the American market before defendant's boxes were brought into the American market. If, now, the original French boxes or packages can lawfully be permitted to compete with plaintiff's boxes or packages, it can be readily seen that plaintiff's business may be destroyed, and, in any event, impaired. The question, on its face, is one involving business interests in a large way. If an American business concern buys all of the rights, as in the case at bar, of a business established here by a foreign concern and then the foreign concern is nevertheless at liberty to compete with the American concern, the result will be that the purchase of rights, under such circumstances, will give little or no protection; and the foreign concern as well as the domestic concern will be seriously injured in the long run, because American capital certainly will not be invested and foreign concerns will find it difficult to sell the rights which they have developed in this country.

It should be said in justice to *A. Bourjois & Cie. of France* that there is nothing in the record which justifies the conclusion that this competition has been undertaken with their knowledge or consent, and it should be said in justice to defendant that thus far defendant has relied upon what she regards as her legal rights. The question is one of law which calls for definite and prompt settlement.

In support of the position of defendant, the case of *Fred Gretsch Mfg. Co. v. Schoening et al.*, 238 F. R. 780, is cited. That case

involved a construction of Section 27 of the Act of February 20, 1905. That section was in the nature of a Customs Regulation to prevent the American public from being deceived by simulated names. In other words, simulated trade marks are to be excluded from importation, so as to safeguard the American public; but there is nothing in that section which was intended or purported to pass upon the question as to whether any given trade mark was valid as matter of law as between contending parties. Under Section 27, the Customs authorities may only exclude an article "of imported merchandise which shall copy or simulate the name of any domestic manufacturer \* \* \*." Thus, if an article is genuine, in the sense of defendant's box, it may be imported into this country and cannot be stopped at the door of the Custom House; but, whether or not the article may be marketed here under a particular trade mark is a question to be determined in ascertaining the rights of parties, quite irrespective of Section 27 of the Act of February 20, 1905. Section 27 concerns the action of the Government through its proper officials in carrying out the safeguarding measures erected by the Congress. The case at bar concerns the rights of private parties and these rights depend upon rules of law in respect of which Section 27 is wholly irrelevant. In the Gretsch case, the question here presented did not arise. There was no situation, such as this, where the original owner of the business and its trade-marks had completely parted therewith to a licensee who had proceeded upon the strength of his ownership to develop an American market. For the reasons thus outlined, I am of the opinion that plaintiff is entitled to the exclusion of defendant's boxes from this market and the motion for a preliminary injunction is, therefore, granted.

JULIUS M. MAYER,  
*District Judge.*

December, 1920.

*Addendum.*

Under the Clayton Act it will be necessary for plaintiff to give security. This amount will be fixed upon the settlement of the order. On the other hand, as the question is novel and defendant is a small dealer and, as the Court gathered on the argument that the plaintiff is more concerned with a settlement of the question of law than with the sale of the small amount of merchandise in defendant's possession, the injunction will be suspended on defendant's giving security on appeal in a nominal amount, and provided also that if defendant intends to appeal, she shall do so promptly. Submit order on two days' notice.

J. M. M.,  
*D. J.*

73

*Injunction Order Appealed From.*

At a Stated Term in the United States District Court for the Southern District of New York Held at the Court Rooms of said Court in the Old Post Office Building, in the Borough of Manhattan, City and State of New York, this 3rd Day of January, 1921.

Present: Hon. Julius M. Mayer, U. S. District Judge.

In Equity.

No. 19/233.

A. BOURJOIS & Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

This cause came on to be heard at this term and was argued by counsel for the respective parties and thereupon, upon consideration thereof, it is

Ordered that the plaintiff is entitled to the relief of a preliminary injunction, it appearing to the Court that the plaintiff is the legal owner in the United States of the sole and exclusive right to market face powder in packages bearing the registered trade marks of the plaintiff, that the defendant's face powder packages are to all practical effect substantially the same as or identical with the plaintiff's packages and that the introduction of the defendant's imported merchandise to the American market is likely to interfere with the plaintiff's business and invade the plaintiff's legal rights; and it is further

74 Ordered that upon the plaintiff's giving of security, approved by the Court, in the sum of \$2,000, which this Court deems the proper amount under all of the circumstances of the case, conditioned upon the payment of such costs and damages as may be incurred or suffered by the defendant in case she is found to have been wrongfully enjoined or restrained hereby, a preliminary injunction issue out of this Court, directed to said defendant, Anna Katzel, her servants, agents, attorneys, and workmen, enjoining and restraining them and each of them until the further order of this Court, from using or moving in commerce between the several States or between any foreign country and any such State any face powder packages or boxes like the plaintiff's boxes or like "Exhibit H" to the Order to Show Cause herein, dated November 4, 1920, unless the packages of such face powder be the output of this plaintiff, and from in any wise selling, offering for sale or disposing of any such face powder boxes which are in defendant's possession or under her control and were acquired through recourse to interstate or foreign commerce and any such boxes having affixed thereto or used in connection

therewith any word or device in infringement of plaintiff's registered  
trade mark "Java," registered by certificate No. 99,940, dated  
75 September 29, 1914, and the plaintiff's trade mark registered  
by certificate No. 120,330, dated February 5, 1918, and plain-  
tiff's trade marks as embodied in the side labels, bottom labels and  
top labels as registered by certificates No. 110,632, dated June 6,  
1916, No. 111,177, dated July 4, 1916, No. 122,674, dated September  
10, 1918, and No. 125,930, dated July 15, 1919, and from in any  
wise infringing upon the plaintiff's said trade marks and trade mark  
rights; and it is further

Ordered that the foregoing injunction may be suspended, pending  
appeal, should defendant appeal from this order, provided defendant  
file a bond in the sum of \$250, to be approved by this Court, that  
the defendant will prosecute her appeal to effect and if she fail to  
make her plea good, shall answer all damages and costs.

JULIUS M. MAYER,  
U. S. District Judge.

76

*Notice of Entry.*

United States District Court, Southern District of New York.

Equity. 19/233.

A. BOURJOIS & Co., INC., Plaintiff,  
against  
ANNA KATZEL, Defendant.

SIR:

Take notice that the within is a copy of an order entered in the  
office of the clerk of the United States District Court for the Southern  
District of New York in the above entitled cause on January 3, 1921.

Yours, etc.,

BRIESEN & SCHRENK,  
*Solicitors for Plaintiff.*

To John B. Doyle, Esq., Solicitor for Defendant, 34 Pine Street,  
New York, N. Y.

77

*Petition for Appeal.*

United States District Court, Southern District of New York.

In Equity.

No. 19-233.

A. BOURJOIS & Co., INC., Plaintiff,  
against  
ANNA KATZEL, Defendant.

The above named defendant, feeling herself aggrieved by the order  
of this Court, entered on or about the third day of January, 1921, in

the above entitled cause, wherein and whereby plaintiff's motion for a preliminary injunction was granted, does hereby appeal from the said order to the United States Circuit Court of Appeals for the Second Circuit, for the reasons specified in the assignments of error which are filed herewith, and the said plaintiff prays that her appeal may be allowed, and that the transcript of record, proceedings and papers upon which the said order was made, duly authenticated, may be sent to the United States Circuit Court of Appeals for the Second Circuit.

Dated January 25th, 1921.

JOHN B. DOYLE,  
*Solicitor for Defendant.*

78 Service copy petition for appeal, assignments of error, citation and bond acknowledged this 26th day of January, 1921.

BRIESEN & SCHRENK,  
*Solicitors for Plaintiff.*

The above claim of appeal is allowed, and the prayer of the defendant herein is granted, upon the filing of a bond for \$250 with the Clerk of this Court as security for costs on appeal.

January 31, 1921.

AUGUSTUS N. HAND,  
*United States District Judge.*

79

*Assignment of Errors.*

United States District Court, Southern District of New York.

In Equity.

No. 19-233.

A. BOURJOIS & Co., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

And now comes the defendant, Anna Katzel, by her solicitor, having prayed an appeal to the United States Circuit Court of Appeals for the Second Circuit, from the order of the United States District Court, entered on or about the 3rd day of January, 1921, and respectfully represents, as assignments of error herein, that the said District Court erred in the following particulars, to wit:

1. In granting to the plaintiff a preliminary injunction enjoining and restraining the defendant, or her representatives, from using or moving in commerce between the several States or between any foreign country and any such State, any face powder packages or boxes like the plaintiff's boxes, unless the packages of such face powder be the output of the plaintiff.

80 2. In granting to the plaintiff a preliminary injunction enjoining and restraining the defendant, or her representatives, from selling, offering for sale, or disposing of any such face powder boxes which are in defendant's possession or under her control, and were acquired through recourse to interstate or foreign commerce, and any such boxes having affixed thereto or used in connection therewith any word or device substantially the same as, or identical with, the trade mark "Java" registered in the plaintiff's name, and the trade marks as embodied in the side labels, bottom labels and top labels as registered in the plaintiff's name.

3. In granting to the plaintiff a preliminary injunction enjoining and restraining the defendant, or her representative, from in any wise infringing upon the said trade marks and the rights claimed under said trade marks by the plaintiff.

4. In not denying the plaintiff's motion herein for the aforesaid preliminary injunction, as to each and every clause and feature thereof.

5. In finding or holding that the plaintiff is the legal owner in the United States of the sole and exclusive right to market face powder in packages bearing the registered trade marks of the plaintiff.

6. In finding or holding that the defendant's face powder packages are to all practical effect substantially the same as, or identical with, the plaintiff's packages.

81 7. In failing to find that the plaintiff's face powder packages are to all practical effect substantial copies or duplicates of the defendant's.

8. In finding or holding that the introduction of the defendant's imported merchandise to the American market is likely to interfere with the plaintiff's business and invade the plaintiff's legal rights.

9. In holding that the defendant's face powder packages constitute an infringement of the plaintiff's trade mark rights.

10. In failing to hold that the importation into and sale in the United States by the defendant of the genuine face powder manufactured and put up in boxes genuinely trade marked and labelled by A. Bourjois & Cie of France is not an infringement of the plaintiff's rights.

11. In failing to hold that the defendant's face powder packages do not reproduce, counterfeit, copy, simulate or colorably imitate the plaintiff's trade marks within the meaning of Sections 16 and 17 of the Trade Mark Law. (33 Stat. L. 728-730.)

Dated, January 25, 1921.

JOHN B. DOYLE,  
*Solicitor for Defendant.*

*Bond on Appeal.*

United States District Court, Southern District of New York.

A. BOURJOIS & CO., INC., Plaintiff,

against

ANNA KATZEL, Defendant.

New York Office,  
#16 Liberty Street.

Know all men by these presents, That we, Anna Katzel, as principal and Massachusetts Bonding and Insurance Company, a corporation organized under the laws of the Commonwealth of Massachusetts, and authorized to transact business in the State of New York, and having an office and place of business at #16 Liberty Street, Borough of Manhattan, City of New York, as Surety, are held and firmly bound unto A. Bourjois & Company, Inc., in the sum of Two hundred fifty and 00/100 (\$250.) dollars, to be paid to the said A. Bourjois & Company, Inc., for the payment of which well and truly to be made, we bind ourselves, our successors, and assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated the 26th day of January, nineteen hundred twenty-one.

Whereas, the above named Anna Katzel has prosecuted an appeal to the United States Circuit Court of Appeals for the

Second Circuit, to reverse the order entered in the above entitled suit by a Judge of the District Court of the United States for the Southern District of New York, on the 3rd day of January, 1921.

Now, therefore, the condition of this obligation is such, That the above named Anna Katzel shall prosecute said appeal to effect and pay all costs of said appeal if Anna Katzel fails to make good her plea, then this obligation shall be void; otherwise the same shall be and remain in full force and virtue.

ANNA KATZEL.

MASSACHUSETTS BONDING AND  
INSURANCE COMPANY,

By HARVEY SELF,

*Resident Secretary.*

Attest:

EDWARD H. ROWLEY,

*Attorney-in-Fact.*

STATE OF NEW YORK,

*County of Bronx, ss:*

On this 28th day of January, 1921, before me personally came Anna Katzel, to me known and known to me to be the individual

described in and who executed the foregoing instrument, and she acknowledged to me that she executed the same.

R. L. DAVIS,  
*Notary Public, Westchester Co.*

Certificate filed in Bronx Co.

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*Citation.*

United States District Court, Southern District of New York.

In Equity.

No. 19-233.

A. BOURJOIS & Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

To A. Bourjois & Co., Inc., Greeting:

You are hereby cited and admonished to be and appear before the United States Circuit Court of Appeals, for the Second Circuit, at a term thereof, to be held in the City of New York, State of New York, and the Circuit above named, on the 2nd day of March, 1921, pursuant to an appeal filed in the Clerk's office of the District Court of the United States, for the Southern District of New York, wherein you are the plaintiff and appellee and Anna Katzel is the defendant and appellant, to show cause, if any there be, why the order mentioned in said appeal should not be corrected and speedy justice should not be done in that behalf.

Given under my hand, in the Borough of Manhattan, City and State of New York, in the Circuit above named, this 31st day of January, 1921.

AUGUSTUS N. HAND,  
*U. S. District Judge.*

85

*Stipulation as to Contents of Record.*

United States District Court, Southern District of New York.

Equity. No. 19/233.

A. BOURJOIS & Co., Inc., Plaintiff,

against

ANNA KATZEL, Defendant.

It is stipulated and agreed by and between the solicitors for the respective parties that the record on appeal herein shall contain the following:



- Subpœna.  
 Bill of Complaint.  
 Exhibits B to G, plaintiff's registrations.  
 Order to Show Cause.  
 Affidavits of Harry B. Grubb and John W. Kane.  
 Answer.  
 Affidavit of Anna Katzel.  
 Bills for purchases in France.  
 Affidavits of Leon J. Katzel, H. C. Stuart and William A. McDervitt.  
 Stipulation re Exhibit 3.  
 Affidavit of Bernard M. Douglas.  
 Exhibit M, orders from customers.  
 86 Exhibit N, claim for broken boxes.  
 Exhibit O, advertisement of La-may Face Powder.  
 Affidavit of J. G. O'Connell.  
 Opinion of Judge Mayer.  
 Order for Injunction.  
 Notice of Entry.  
 Petition for and Order Allowing Appeal.  
 Assignment of Errors.  
 Bond.  
 Citation.  
 This stipulation.  
 Stipulation as to Correctness of Record.  
 Clerk's Certificate.

It is further agreed that all of the exhibit boxes and packages referred to in the aforementioned affidavits shall be produced for use at the argument of the appeal; that the illustrated catalogue produced by the defendant shall be treated as a physical exhibit and need not be reproduced.

Dated, New York, N. Y., March 7, 1921.

BRIESEN & SCHRENK,  
*Solicitors for Plaintiff.*  
 JOHN B. DOYLE,  
*Solicitor for Defendant.*

87

*Stipulation as to Record.*

United States District Court, Southern District of New York.

Equity. No. 19/233.

A. BOURJOIS & Co., INC., Plaintiff,  
 against  
 ANNA KATZEL, Defendant.

It is stipulated and agreed that the foregoing is a true transcript of the record of the District Court in the above-entitled matter as agreed on by the parties.

Dated, New York, N. Y., March —, 1921.

BRIESEN & SCHRENK,  
*Solicitors for Plaintiff.*  
JOHN B. DOYLE,  
*Solicitor for Defendant.*

88

*Clerk's Certificate.*

United States District Court, Southern District of New York.

In Equity.

No. 19-233.

A. BOURJOIS & Co., INC., Plaintiff,  
against

ANNA KATZEL, Defendant.

I, Alexander Gilchrist, Jr., Clerk of the District Court of the United States of America for the Southern District of New York, do hereby certify that the foregoing is a correct transcript of the record of the said District Court in the above entitled matter, as agreed on by the parties.

In testimony whereof, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern District of New York, this — day of March, in the Year of Our Lord One Thousand, Nine Hundred and twenty-one, and of the Independence of the said United States the one hundred and forty-sixth.

ALEXANDER GILCHRIST, JR., *Clerk.*

89 United States Circuit Court of Appeals for the Second  
Circuit, October Term, 1920.

No. 252.

Argued May 2, 1921. Decided June 8, 1921.

A. BOURJOIS & Co., INC., Plaintiff-Appellee,  
v.

ANNA KATZEL, Defendant-Appellant.

Appeal from the District Court of the United States for the Southern  
District of New York.

Before Ward, Hough, and Manton, Circuit Judges.

Briesen & Schrenk, for Plaintiff-Appellee.  
Hans V. Briesen, of Counsel.  
John B. Doyle, for Defendant-Appellant.  
John R. Rafter, of Counsel.

WARD, *Circuit Judge*:

In July, 1913 the plaintiff, a corporation of the State of New York, bought the business and good will in the United States of

A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs,  
90 French firm which had since 1879 sold in the United States a face powder manufactured by it in France described as "Java". The French firm registered in the United States Patent Office the trade mark "Java" in 1888, the trade mark "A. Bourjois & Cie." in 1908 and the word "Java" on the top and side of its boxes in 1912. The plaintiff in 1916, 1918 and 1919 registered three other trade marks used by the French firm for face powder. Under all these trade marks the plaintiff imports in bulk the face powder manufactured by the French firm and packs and sells it here in boxes.

The defendant conducts a retail pharmacy in New York City and sells in New York, New Jersey and other states the same genuine face powder manufactured by the French firm imported by her in its original boxes on which are printed its trade marks and labels. The only difference between the trade mark and labels of A. Bourjois & Company, Inc., and A. Bourjois & Cie., E. Wertheimer & Cie. Successeurs, is that the powder sold by the defendant is called Poudre de Riz de Java, as the plaintiff called it until 1916, when it altered the name to Poudre Java, and that on the bottom of the plaintiff's boxes is printed "Trade Mark Reg. U. S. Pat. Off. Made in France—Packed in the U. S. A. by A. Bourjois & Co., Inc., of N. Y., Succesors in the U. S. to A. Bourjois & Cie. and E. Wertheimer & Cie".

The plaintiff filed this bill on the ground of infringement of its registered trade marks, praying that the defendant be enjoined both provisionally and finally from selling the French firm's face powder under the trade mark "Java" or the trade mark "Bourjois" or under any of the plaintiff's registered trade marks and for an accounting.

The District Judge granted the motion for a preliminary injunction and the defendant appeals from that order.

It is to be noticed in the first place that the residence and citizenship of both parties being in the State of New York to  
91 question of unfair competition is involved and indeed there is no evidence of any such competition.

The assignment from A. Bourjois & Cie., E. Wertheimer & Cie. Successeurs, to A. Bourjois & Company, Inc. is not produced but we assume for the purposes of this case that the plaintiff is entitled to the French firm's trade marks under *Menendez v. Holt*, 125 U. S., 514 and *Wertheimer v. Batcheller*, 185 F. R., 850, and that it would be a breach of the French firm's obligations to sell its face powder in this country, *Le Page v. Russian Cement Co.*, 51 F. R., 941.

We set on one side all authorities cited by the plaintiff arising out of sales under the same trade marks of two different competitive articles manufactured by different persons, such as *Hanover Milling Co. v. Metcalf*, 240 U. S., 403; *Scandinavia Co. v. Asbestos Co.*, 25 F. R., 934, because it is quite clear that the defendant could not sell

face powder manufactured by her or by any other person than A. Bourjois & Cie. under these trade marks. But the article sold by the plaintiff and covered by its registered trade marks is the face powder actually manufactured by the French firm, imported in bulk and packed here by the plaintiff, which is the precise article imported by the defendant in the French firm's original boxes and sold here. The question is whether the defendant has not the right to sell this article under the trade marks which truly indicate its origin. We think she has. The question has been so decided in three cases in this circuit, Apollinaris Co. v. Scherer, 27 F. R., 18; Russian Cement Co. v. Frauenhar, 133 F. R., 518 and Cretsch v. Schoening, 238 F. R., 780.

In the Apollinaris case Saxlehner, owner of the Hunyadi Janos spring in Hungary, gave to the Apollinaris Company the exclusive right to sell the water under the trade mark "Hunyadi Janos" in Great Britain and the United States. The Apollinaris Company registered the name and the label as trade marks in the United States Patent Office. Scherer applied to Saxlehner to sell him the water for importation into the United States, which Saxlehner refused to do, telling him of the Apollinaris Company's exclusive rights. Thereafter Scherer purchased the water from other parties in Germany, imported it into the United States and sold it under the name Hunyadi Janos and with the same label as the Apollinaris Company's with one immaterial variation. Judge Wallace said:

"The complainant established an agency for the sale of the water in this country, but, as it now asserts, is unable to maintain its own prices for the article because the defendant purchases the water in Germany from persons to whom it has been sold by Saxlehner, imports it, and sells it here at lower prices. It is shown that the defendant purchases the water in bottles under the label adopted by Saxlehner containing the cautionary notice, and that he does this after having applied to Saxlehner to sell him the water and been refused and informed by Saxlehner of the complainant's rights.

The bill of complaint proceeds in part upon the theory that the defendant is infringing the complainant's trade-mark in the name and label applied to the water, but all the averments in this behalf may be disregarded as irrelevant to the real question in the case. No doubt is entertained that the name when applied to the water is a valid trade-mark, and that the complainant should be protected against the unauthorized use of the trade-mark by another. The complainant would be entitled to this protection entirely irrespective of the registration of its trade-mark in the patent office. The same observations apply to the use of the label. The complainant has a common-law right to the name and the label as a trade-mark by which its mineral waters are identified; and as the necessary diversity of citizenship exists between the parties to confer jurisdiction upon this court, the only effect of registration is to afford and perpetuate the evidence of the complainant's title. But the defendant is selling the genuine water and therefore the trade-mark is not infringed. There is no exclusive right to the use

of a name or symbol or emblematic device except to denote authenticity of the article with which it has become identified association. The name has no office except to vouch for the genuineness of the thing which it distinguishes from all counterfeits; and until it is sought to be used as a false token to denote the product or commodity to which it is applied is the product or commodity which it properly authenticates, the law of trade-marks cannot be invoked.

The real question in the case is whether the defendant is unlawfully interfering with any exclusive right of the complainant to control the sale of the water in the territory ceded to the complainant for that purpose by Saxlehner. It is manifest that the acts of the defendant tend to deprive the complainant of the substantial advantages which it expected to obtain from the privilege transferred to it by Saxlehner. It can no longer maintain its own prices for mineral water, or hold out the inducements it formerly could to agents it has selected to introduce the article to the patronage of the public, and build up a trade. It can no longer protect itself efficiently against the chances of a spurious article being palmed upon the public as its own. It is therefore measurably deprived of the acts of the defendant of the profits and benefits which it contemplated when it purchased from Saxlehner the exclusive right of importing the water into this country and selling it here. If the complainant could acquire an exclusive right to sell the water here the case would be plain. If it could not, it still remains to consider whether the defendant has violated any duty which the law recognizes in his relations to the transactions. There would seem

to be no doubt that the agreement between Saxlehner and the complainant was a valid one. He had the right to dispose of his property in the product of his spring as he saw fit, and it is not apparent how the transfer of a part of his exclusive right to vend the water, by which a territorial division in its enjoyment was created, can be deemed obnoxious to any principle of public policy as tending to create a monopoly or an unlawful restraint of trade. If Saxlehner were now endeavoring to compete with the complainant in the sale of the water in the ceded territory, his conduct would furnish a ground for equitable jurisdiction and the remedy of injunction because of the inadequacy of a remedy at law, Bisp. v. 463. It is equally clear that if the defendant were co-operating with Saxlehner collusively to violate the complainant's right to the exclusive sale of the water he also would be restrained. In such a case the foundation of equitable redress would be the breach of covenant on the part of Saxlehner, and the defendant when acting in aid would be identified with Saxlehner and amenable to the remedy as though he were Saxlehner himself. But it is important to bear in mind that the case would be one for equitable cognisance, and the remedy of an injunction merely upon the ground that the complainant's damages arising from the breach of covenant could not be reparably redressed at law."

In the Le Page case the defendant bought in bulk of third parties

glue made and sold by the plaintiff under the trade name of Le Page's Glue and bottled and sold it under that name. We said:

"Counsel for complainant argues that defendants should be enjoined from applying the name 'Le Page' to a glue made by complainant, which is inferior to the most expensive brands sold by complainant under that name, on the ground that this is a gross fraud and an imposition upon the public. How such conduct constitutes a fraud upon the public does not appear from the evidence. The labels on defendant's bottles contain no statement as to whether the glue put up by it is either of a superior or inferior quality, but merely that this glue is manufactured by complainant and is bottled by defendants, and that 'this glue is known all over the world as the best for cementing wood, leather, glass,' etc. If the public gets an inferior quality of glue when it purchases that bottled by defendants, it is because the complainant has seen fit to sell such glue under the same trade-name as it had applied to a superior article, and has chosen thus to reap the profit from the sale to the public of two qualities or grades of the same article under the same trade-name. A court of equity will not enjoin a person from affixing to goods sold by him their true name and description, in the absence of any evidence of an attempted fraud, such as by representing his goods as of a different origin or quality or manufacture from what they actually are. The case of *Gillott v. Kettle*, 3 Duer, 624, cited by complainant as 'very close in point,' illustrates the rule and its application. There the defendant removed the labels from an inferior quality of pens manufactured by complainant, and affixed other labels which imitated the labels on a superior quality of pens made by complainant. The court held that 'by such a practice the defendant endeavors by a false representation to effect a dishonest purpose; he commits a fraud upon the public and upon the manufacturer.' But here there is no false representation by spurious label or false statement. The label tells the truth, and nothing but the truth. There is no fraud upon the public, for it gets the genuine, identical thing described by the label (*Apollinaris Co. v. Scherer*, (C. C.) 27 Fed., 18); there is no fraud upon the manufacturer, for its vendees resell its manufacture, to which it has applied its name (*Vitascope Co. v. United States Phonograph Co.* (C. C.) 83 Fed., 30), coupled with the statement that it (the vendee) is responsible for the bottling of the manufacture."

In the *Gretsch* case the *Gretsch* Company had the exclusive agency for the United States of the sale of violin strings made in Germany by Mueller under the name "Eternelle" and with Mueller's approval registered the name as the trade mark in the United States Patent Office. Schoening purchased such strings in Germany and imported them into the United States. The case arose under Sec. 17 of the Trade Mark Act as to the importation of merchandise copying or simulating a trade mark registered in the United States Patent Office. After referring to the two foregoing cases we said:

"The rationale of both decisions is that the defendant in each case was selling the genuine article identified by the trade-mark and the public was not misled, but was getting exactly what it paid for. These decisions, however, were made before the act in question was passed. Assuming that Congress could protect the owner of a registered trade-mark against the importation by third parties of the genuine article under that trade-mark, has it done so? We think not. The Act prohibits the entry of imported merchandise which shall 'copy or simulate' a trade-mark registered under it. The obvious purpose is to protect the public and to prevent anyone from importing goods identified by their registered trade-mark which are not genuine. In this case, however, the imported goods were the genuine articles identified by the trade-mark. We assume that Schoening has a valid trade-mark, even if he does not manufacture the strings (*Menendez v. Holt*, 128 U. S., 514), applying to the whole of the United States and still are of opinion that it is not infringed by one who buys in Germany the genuine article identified by the trade-mark, imports it into the United States and sells it so marked here."

The analogy between patents and trade marks is not complete. A patent gives the patentee a monopoly to make, sell and use and grant to others the right to make, sell and use the subject patented in the United States for the term of the patent. Hence articles lawfully made, used and sold in foreign countries cannot be sold in this country if they infringe the patent. Trade marks, on the other hand, are intended to show without any time limit the origin of the goods they mark so that the owner and the public may be protected against the sale of one man's goods as the goods of another man. If the goods sold are the genuine goods covered by the trade-mark the rights of the owner of the trade mark are not infringed.

The order is reversed.

98 United States Circuit Court of Appeals for the Second Circuit, October Term, 1920.

No. 252.

A. BOURJOIS & Co., INC., Plaintiff-Appellee,

v.

ANNA KATZEL, Defendant-Appellant.

Argued May 2, 1921. Decided June 8, 1921.

Appeal from the District Court of the United States for the Southern District of New York.

Before Ward, Hough, and Manton, Circuit Judges.

HOUGH, C. J., dissenting:

The majority opinion states as the question in this case whether defendant "has not the right to sell this article under the trade-



marks which truly indicate its origin." With this statement I agree, but disagree with the meaning given by the decision to the word "origin."

It is not yet settled whether a trademark is to be primarily regarded as protecting the trademark owner's business from a species of unfair competition, or protecting the public from imitations.

99 The decision in this case seems to me to lean the wrong way, because in my opinion a trade mark is primarily a protection to the owner's business. It is attached to the business, is a part of it, and cannot be detached therefrom; there being no such thing as the transfer of a trademark in gross. If this be true it makes no difference whether the plaintiff's business grew out of an agency for another, provided only that it be shown that it is an honest business and belongs to the person who attached, and (perhaps) duly registered the trademark, which describes the product of that business.

This plaintiff made a business in Java powder. It is an honest business, and whatever rights the French Manufacturer had in the United States became the rights of the plaintiff. If, therefore, the primary function of the trademark is to protect this plaintiff's business in his own country, it makes no difference at all that the genuine French article is the thing offered by defendant. That genuine article has become an infringement because the business of dealing in that article within the United States is the plaintiff's business.

100 United States Circuit Court of Appeals for the Second Circuit.

A. BOURJOIS & Co., Inc., Plaintiff-Appellee,

against

ANNA KATZEL, Defendant-Appellant.

*Petition for Rehearing.*

Your petitioner, A. Bourjois & Co., Inc., being aggrieved by the decision filed in this cause on the 8th day of June, 1921, respectfully prays for a rehearing.

The decision holds in effect that American investors, who years ago made an outright and complete purchase from prior European owners, of an American trade-mark and of the good will of the business pertinent thereto, and have registered said trade-mark in their own name, are without right of redress against the distribution in America of products marketed under practically identical labels, recently purchased abroad from recent customers of the concern that years ago completely sold out to said American investors the complete trade-mark rights and good will in the premises for the whole of the United States.

101 In support of this petition the petitioner represents:

(1) The question involved is of the gravest importance, and a denial of the rights claimed by the petitioner will throw into inter-



minable confusion investments reaching into many millions of dollars entered into in good faith by many citizens of this country.

(2) Should there be the slightest doubt as to the correctness of a decision adverse to the plaintiff on a question of this magnitude and importance, nationally as well as internationally, it would seem advisable to dispose of the cause not by resolving the doubt against the plaintiff, but rather by submitting the doubtful point to the judgment of the Supreme Court of the United States.

(3) The question of law which involves the rights of an owner of a registered American trade mark, acquired by purchase under authority of the Trade Mark Statute, as against imported merchandise bearing the same trade mark bought upon a foreign market by the assignor subsequent to the date of the sale of the American trade mark, has not heretofore been dealt with in any known authority and certainly not in any one of the three decisions upon which the majority opinion of the Court of Appeals is based.

An assignee of a trade mark by purchase must necessarily be. trade marks can be assigned at all, invested, upon consummation of said purchase, with every right of the assignor. The new owner can have the goods manufactured wherever he pleases, can make them himself, can add new lines of merchandise marked under the same trade mark and can generally deal with respect to goods sold under said trade mark as complete master of the situation without any limitation, duty or obligation other than that in offering his wares to the public his representations must be truthful. This is fundamental.

A mere agent, on the contrary (like the Apollinaris Company with respect to "Hunyadi" water or the Gretsch Company with respect to Mueller's "Eternelle" strings), possesses no proprietary rights in the trade mark itself or in its good-will, and cannot dictate with respect to the nature of the product to which the trade mark is to be applied, cannot appropriate the trade mark to new lines of development, cannot determine the nature of the labels or where and how they shall be affixed and in general, having no proprietary right in the trade mark, has only an interest in protecting a commercial position flowing out of an agency. All that has been thus far decided in the cases cited by this Court is that such an agent, not being a trade mark proprietor by purchase, cannot under the Trade Mark Law control the channels through which merchandise emanating from the true owner of the trade mark is distributed in the United States. No case has ever held that the legal owner of a registered trade mark in the United States must endure the presence here, in a market in which he, as trade mark owner, has absolute and complete dominion, the rivalry of a competitive article hostilely marketed by a business adversary, no matter how or where these competitive goods were acquired. Rehearing is therefore requested on the point that it would be error, on the part of this Court, to apply, as the supposed law of the case, authorities which are not in point.

(4) The Court in its opinion failed to give consideration to the fact that the Trade Mark Statute, which alone governs this case, was enacted subsequent to the decisions in the Apollinaris case and the Le Page case, and that said Trade Mark Statute provided in so many words that every registered trade mark was assignable. The trade mark before this Court was so assigned under said Statute and said Statute could not have provided for a transfer of an American trade mark by assignment if Congress had intended to except from such transferability, as a complete right invested with all privileges pertinent to an originator of a trade mark, American trade marks acquired by purchase from foreigners.

(5) It is believed that what is deemed to be the erroneous conclusion of this Court was arrived at by reason of an inadvertent misconception of the Court regarding the facts of the present case. This is indicated by the statement in the opinion that

"We assume for the purposes of this case that the plaintiff is entitled to the French firm's trade marks under *Menendez v. Holt*, 128 U. S. 514, etc."

This sentence seems to assume that the French firm was still the owner of the trade marks and that the petitioner was merely the exclusive distributor in the United States of the French firm's product. This is a mistaken thought. The facts of the present case are.

"That on or about said July 5, 1913, the said firm of A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs, did grant, sell and convey to the plaintiff, A. Bourjois & Co. Inc. and said plaintiff did purchase from said A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs, for and in consideration on the part of the plaintiff of an obligation to pay, among other things, Four hundred thousand dollars (\$400,000.00) in money, the entire business heretofore and then being carried on by said A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs, in the United States, to wit, the sale of the various toilet preparations manufactured and sold by said A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs, in the United States of America, together with the good will of said business in the United States, and also any and all trade marks, trade names and trade mark rights relating thereto in the United States and also the sole and exclusive right to manufacture and sell in the United States any and all toilet preparations then made by the said A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs."

The foregoing quotation is from the verified bill (Record, p. 3) and the facts are not denied.

The rights thus acquired for more than Four hundred thousand dollars in money included the trade marks, the good will and the sole and exclusive right to manufacture. Under this purchase your petitioner could manufacture any goods it pleased and market them

in the United States under the purchased trade mark. It could have the goods manufactured for itself by others in this or any foreign country. It could apply its "Java" trade mark to any goods which petitioner saw fit. Petitioner was the sole and exclusive master and determining factor of the entire situation, and not until petitioner affixed its "Java" trade mark to articles of commerce did those articles become "Java" products so far as the United States was concerned.

Once the Court grasps the fact that the purchase by the American Company from the French Company was a complete and outright purchase of the trade mark and good will, we believe that the Court cannot fail to see that in this country nothing that did not have the petitioner's sanction could legitimately be brought upon the market under petitioner's trade mark "Java". So long as trade marks

are made the subject of purchase and sale—and the  
 105 Statute leaves no doubt on that subject—the purchaser must necessarily have the complete right to exclude from the United States markets goods which do not emanate from the trade mark proprietor. If American trade marks owned by Europeans can be bought by Americans, Americans can afford to pour fortunes into advertising and into the building up of a market only so long as they are invested with the right to exclude from the American markets all goods bearing similar trade marks but emanating from any other source whatsoever. If that is not the law then the Trade Mark Statute has been widely misunderstood, and if the Trade Mark Statute does not mean what it apparently says in plain language, the new construction of that law, which seriously affects a vast amount of invested capital, presents a question which is undoubtedly worthy of submission to the United States Supreme Court.

(6) It is believed that through a mistaken conception regarding the facts, the Court was led astray in dealing with the subject of origin. The Court recognizes in its opinion the authority of *Menendez v. Holt*, 128 U. S. 514, in which Holt's trade mark "Favorita" was sustained as Holt's exclusive property when applied to flour not of Holt's manufacture but bought by Holt from a miller. The miller sold to many other customers, but surely none of these other customers could have acquired the right to market flour as "Favorita" merely because the manufacturing origin of the flour which Holt marketed as "Favorita" was the same. The question of origin when dealt with in trade mark cases means that origin which the inhabitants of the United States recognize as the immediate source of the merchandise which they consume; not

106 necessarily the manufacturer but very frequently merely the person with whom they are accustomed to do business. In the United States the trade mark "Java" is registered in the name of the petitioner and all people thus have notice that the petitioner is the sole owner of said trade mark and the sole person who has authority to determine what goods shall or shall not be marketed under the name "Java", where they shall be made, what ingredients they shall contain, what texture they shall have, what color they

shall possess and what labels shall be used to give them currency. The "Java" business in the United States is undoubtedly, upon the present Record, the business of your petitioner and not the business of any other person. "Java" in the United States means the output of the petitioner. The petitioner is the sole and only publicly recognized source and origin of "Java" powder. It is to the petitioner and to no one else that the public in the United States look and who enjoys the public confidence that the "Java" powders to be purchased shall be of equal quality as the "Java" powders heretofore purchased. To the public here it is immaterial in what factory the powder is ground or in what establishment the perfume is incorporated or through what agency the color is governed. With respect to all of these matters the public here look to the petitioner and to the petitioner alone (Record, p. 62). Under such circumstances, the source or origin of the goods with which we are concerned in considering trade mark questions is solely and only the petitioner, and the French firm is nothing more than a convenient miller from whom, as in *Menendez v. Holt*, the petitioner purchases those powders which the petitioner uses to satisfy the petitioner's market for products under a trade mark which is universally recognized here as the petitioner's alone.

107 (7) It is respectfully suggested that a reconsideration on the foregoing lines will lead this Court at least to question its decision as thus far arrived at, and, should the Court go no farther than entertain a doubt on the subject matter, cause it to certify the question at issue to the United States Supreme Court.

Respectfully submitted,

HANS v. BRIESEN,  
*Solicitor for Petitioner.*

WILLIAM A. REDDING,  
*Of Counsel.*

108 United States Circuit Court of Appeals for the Second Circuit  
October Term, 1920.

No. 252.

A. BOURJOIS & COMPANY, INC., Plaintiff-Appellee,  
against

ANNA KATZEL, Defendant-Appellant.

Petition Filed June 18, 1921. Decided June 30, 1921.

Appeal from the District Court of the United States for the Southern  
District of New York.

Before Ward, Hough, and Manton, Circuit Judges.

Petition for Rehearing.

Hans v. Briesen, Esq., and William A. Redding, Esq., of counsel  
for petitioner;

L. E. Varney, Esq., as amicus curiæ.

*Per Curiam:*

We are asked to certify the question involved in this case to the  
Supreme Court on the ground of its supreme importance in  
109 view of the many businesses with their accompanying trade  
marks of German citizens, bought during the European War  
by citizens of this country from the Custodian of Alien Property.

It is not doubted that an American citizen may buy the business  
of a foreigner in the United States, with its accompanying trade-  
marks, and having done so may subsequently change the character  
and quality of the goods at pleasure. But that is not this case. The  
owner of the trademark cannot change them and still assert that they  
are the actual goods manufactured by the foreigner and imported  
by him. Such a misrepresentation would deprive him of the pro-  
tection of the law.

The precise question decided by us has been misapprehended.  
The trademarks and labels complained of are those of the French  
house, and the plaintiff asserts that it is selling under them face powder  
manufactured by the French house in France and imported by  
it in bulk and repacked here. It treats this re-packing as a very  
material consideration.

The defendant says that this is precisely the product made by the  
French house in France and imported by her in the boxes of the  
French house with the same trademarks and labels, which she is  
selling here.

If in the case of *Menendez vs. Holt*, Holt had asserted that he was  
selling the flour under the trademark *Favorita* which had been made

by a miller under that trademark, the case would be more like the one under consideration.

It is sought to distinguish the three cases decided in this circuit which we have followed upon what we think a misapprehension of their facts.

It is said that in the Apollinaris case that Company was the mere agent of Saxlehner; this is not so. The Company bought the genuine spring water from Saxlehner, imported it into the United States and sold it here as the water of that spring. All that it owed

110 Saxlehner was the price it agreed to pay; there was no relation whatever of agency. Judge Lacombe, in 91 Fed. Rep., 538, and Mr. Justice Brown in 179 U. S., 19, both said that the Company was not Saxlehner's agent.

In the Le Page case it is said that the plaintiff owner of the trademark sold the Le Page glue to the defendant; this is not so. The plaintiff refused to sell to the defendant, who thereupon bought the glue from third parties in bulk and re-bottled it.

So in the Gretsch case it is said that Schoening was merely the exclusive agent of Mueller for the sale of his violin strings called "Eternelle," in the United States. The District Judge found that there was an exclusive agency, though the evidence on the subject was very meagre, and we assuming that to be true and also that Schoening had a valid trademark held nevertheless that Gretsch could lawfully import Mueller strings from Germany and sell them here.

The petition is denied.

111 At a Stated Term of the United States Circuit Court of Appeals in and for the Second Circuit Held at the Court Rooms, in the Post Office Building, in the City of New York, on the 18th Day of June, One Thousand Nine Hundred and Twenty-one.

Present:

Hon. Henry G. Ward,  
Hon. Charles M. Hough,  
Hon. Martin T. Manton,  
Circuit Judges.

A. BOURJOIS & Co., INC., Plaintiff-Appellee,

v.

ANNA KATZEL, Defendant-Appellant.

Appeal from the District Court of the United States for the Southern District of New York.

This cause came on to be heard on the transcript of record from the District Court of the United States, for the Southern District of New York, and was argued by counsel.

On consideration whereof, it is now hereby ordered, adjudged and decreed that the order of said District Court be and it hereby is reversed with costs. Further ordered that execution be issued for the collection of said costs.

It is further ordered that a Mandate issue to the said District Court in accordance with this decree.

H. G. W.

M. T. M.

112      Endorsed: United States Circuit Court of Appeals, Second Circuit. Bourjois & Co. v. A. Katzel. Order for Mandate. United States Circuit Court of Appeals for the Second Circuit. Filed Jul- 8, 1921. William Parkin, Clerk.

113      At a Stated Term of the United States Circuit Court of Appeals for the Second Circuit *Filed* in the Court Rooms Thereof, in the Post Office Building, City of New York, on the 11th Day of July, 1921.

Present:

Hon. Henry G. Ward,

Hon. Charles M. Hough,

Hon. Martin T. Manton,

Circuit Judges.

A. BOURJOIS & Co., INC., Plaintiff-Appellee,

v.

ANNA KATZEL, Defendant-Appellant.

A petition for a rehearing having been filed herein by counsel for the appellee;

Upon consideration thereof it is

Ordered that said petition be and hereby is denied.

H. G. W.

M. T. M.

Endorsed: United States Circuit Court of Appeals, Second Circuit. Filed Jul- 22, 1921. William Parkin, Clerk.

114      UNITED STATES OF AMERICA,  
*Southern District of New York, ss:*

I, William Parkin, Clerk of the United Circuit Court of Appeals for the Second Circuit, do hereby Certify that the foregoing pages, numbered from 1 to 113, inclusive, contain a true and complete transcript of the record and proceedings had in said Court, in the case of A. Bourjois & Co., Inc., against Anna Katzel as the same remain of record and on file in my office.

In testimony whereof, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern



District of New York, in the Second Circuit, this 30th day of September in the year of our Lord One Thousand Nine Hundred and twenty-one and of the Independence of the said United States the One Hundred and forty-sixth.

[Seal of United States Circuit Court of Appeals, Second Circuit.]

WM. PARKIN,  
*Clerk.*

115 UNITED STATES OF AMERICA, ss:

[Seal of the Supreme Court of the United States.]

The President of the United States of America to the Honorable the Judges of the United States Circuit Court of Appeals for the Second Circuit, Greeting:

Being informed that there is now pending before you a suit in which Anna Katzel is appellant, and A. Bourjois & Company is appellee, which suit was removed into the said Circuit Court of Appeals by virtue of an appeal from the District Court of the United States for the Southern District of New York, and we, being willing for certain reasons that the said cause and the record and proceedings therein should be certified by the said Circuit Court of Appeals and removed into the Supreme Court of the United States,  
116 do hereby command you that you send without delay to the said Supreme Court, as aforesaid, the record and proceedings in said cause, so that the said Supreme Court may act thereon as of right and according to law ought to be done.

Witness the Honorable William H. Taft, Chief Justice of the United States, the nineteenth day of November, in the year of our Lord one thousand nine hundred and twenty-one.

WM. R. STANSBURY,  
*Clerk of the Supreme Court of the United States.*

[Endorsed:] File No. 28,530. Supreme Court of the United States. No. 575, October Term, 1921. A. Bourjois & Company, Inc., vs. Anna Katzel. Writ of Certiorari. United States Circuit Court of Appeals, Second Circuit. Filed Nov. 23, 1921. William Parkin, Clerk.

117 Supreme Court of the United States, October Term, 1921.

No. 575.

A. BOURJOIS & Co., Petitioner,  
against

ANNA KATZEL, Respondent.

It is stipulated and agreed by and between counsel for the respective parties hereto that the record and proceedings as certified

by the clerk of the United States Circuit Court of Appeals for the Second Circuit on the Petition for Writ of Certiorari herein and now on file in the office of the clerk of the Supreme Court of the United States be taken and stand as the record and proceedings which the United States Circuit Court of Appeals for the Second Circuit is directed to certify to the Supreme Court of the United States according to a Writ of Certiorari issued in this case out of the Supreme Court and dated November 19, 1921.

HANS v. BRIESEN,  
*Of Counsel for Petitioner.*  
 MANTON M. TOYRELL,  
*Of Counsel for Respondent.*

November 23, 1921.

118 To the Honorable the Supreme Court of the United States  
 Greeting:

The record and all proceedings whereof mention is within made having lately been certified and filed in the office of the clerk of the Supreme Court of the United States, a copy of the stipulation of counsel is hereto annexed and certified as the return to the writ of certiorari issued herein.

Dated, New York, November 25th, 1921.

[Seal of United States Circuit Court of Appeals, Second Circuit.]

WM. PARKIN,  
*Clerk of the United States Circuit Court of  
 Appeals for the Second Circuit.*

119 [Endorsed:] United States Circuit Court of Appeals, Second Circuit. Anna Katzel v. Bourjois & Co. Return of Certiorari. 1.70.

120 [Endorsed:] File No. 28,530. Supreme Court U. S., October Term, 1921. Term No. 575. A. Bourjois & Co., Inc. Petitioner, vs. Anna Katzel. Writ of certiorari and return. Filed Nov. 29, 1921.

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# Supreme Court of the United States,

OCTOBER TERM, 1922.

No. 190.

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A. BOURJOIS & Co., INC., Petitioner, VS. ANNA KATZEL.	}
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## **BRIEF ON BEHALF OF PETITIONER.**

This cause comes before this court on a writ of certiorari to the United States Circuit of Appeals for the Second Circuit (p. 59).

The suit is a trade mark suit under the Act of February 20, 1905, as amended, known as the Trade Mark Law and, being between citizens of the same State, is strictly limited to issues dependent upon a proper construction of the Statute.

A motion for preliminary injunction was made and granted by Judge Mayer (p. 38), on a careful opinion (pp. 33-37), 274 F. R. 856. On appeal Judges Ward and Manton, in a majority opinion (pp. 46-50), directed a reversal of Judge Mayer's order, Judge Hough writing a forcible dissenting opinion (p. 50), 275 F. R. 539. A motion to certify to the Supreme Court (pp. 51-55) was denied (p.

56). A petition for a writ of certiorari was thereupon filed in the Supreme Court and said writ (p. 59) brings the case before this court.

There is practically no issue of fact between the parties and the single question of law which is involved is whether a registered United States trade mark, concededly owned by an American concern, is or is not infringed by goods bearing said trade mark, emanating, not from its United States owner, but from a foreign concern, which had the right to use the mark in its own country, but not in the United States, wherein years ago the foreigner had parted in favor of the American concern with all of its rights. In other words, is the American owner, who for a valuable consideration purchased the trade mark from a foreigner (in accordance with Section 10 of the Trade Mark Act) entitled to protection against the sale in the United States by a third party of goods bearing said trade mark and purchased in Europe from European customers of the said foreigner?

More specifically: in 1913 plaintiff bought the United States trade marks JAVA, BOURJOIS, etc., for face powder from Wertheimer et Cie., etc., of Paris, and since that purchase the plaintiff has built up an enormous business in the United States and a widespread demand for plaintiff's JAVA powder. In 1920 defendant bought Wertheimer et Cie.'s face powder, marked JAVA, in Paris and brought it into the United States, greatly disturbing plaintiff's business. The question is whether plaintiff's rights under its registered trade marks entitle plaintiff to an injunction.

### **The Fundamental Facts.**

The plaintiff A. Bourjois & Co., Inc., is a New York corporation having its place of business at No. 35 West 34th Street, New York City (p. 2).

"The plaintiff, a New York corporation, is the exclusive owner of certain registered trade marks for face powder, these trade marks consisting of the word 'Java' and the various labels, which are carried by plaintiff's boxes and serve to identify them as plaintiff's products" (Judge Mayer's Opinion, p. 33).

The trade marks in issue are reproduced between pages 4 and 5 of the Record and are as follows:

- No. 99,940 registered September 29, 1914,  
"Java" (Exhibit B to the Complaint),
- " 110,632 June 6, 1916, "Side Label" (Exhibit C to the Complaint),
- " 111,177 July 4, 1916, "Bottom Label" (Exhibit D to the Complaint),
- " 120,330 February 5, 1918, "Bourjois" (Exhibit E to the Complaint),
- " 122,674 September 10, 1918, "Revised Modern Bottom Label" (Exhibit F to the Complaint),
- " 125,930 July 15, 1919, "Top Label and Stamp" (Exhibit G to the Complaint).

All of these registrations were secured by the petitioner itself and in the petitioner's own name.

"Defendant's boxes, as will appear, *infra*, are, with two differences, exact duplicates of plaintiff's boxes" (Judge Mayer's Opinion, p. 33).

"The two differences referred to, *supra*, were as



follows: (1) At the beginning of its business, plaintiff New York corporation put the product out under the name of 'Poudre de Riz de Java'. As rice is regarded as a deleterious ingredient for face powder, plaintiff dropped the words 'de riz' and adopted the words 'Poudre Java'. Under this latter name, plaintiff has marketed its goods for about four years last past. An inspection of plaintiff's and defendant's boxes would at once show that this difference is slight and that the ordinary purchaser would not stop to distinguish between the boxes, and, if defendant's box were a counterfeit or imitation, a Court of Equity would at once issue its injunction. In addition, if the plaintiff is right as to the undesirable nature of a rice ingredient, a label containing the words 'de riz' might unfavorably affect the sale of plaintiff's product, if the purchaser associated the package with plaintiff.

"(2) The second difference is that on the back of plaintiff's box or package are the following words: 'Trade Marks Reg. U. S. Pat. Off. Made in France—packed in the U. S. A. by A. Bourjois & Co., Inc., of New York, Succ'rs in the U. S. to A. Bourjois & Cie and E. Wertheimer & Cie.' These words are so situated and so printed as fairly to come to the attention of the purchaser and one of affiants, who has sworn that this package is regarded by the public as plaintiff's product, is the buyer in the perfumery department of the large establishment known as B. Altman & Co." (Judge Mayer's Opinion, pp. 34-35).

"In 1912, the firm of E. Wertheimer & Cie, of France, successors of A. Bourjois & Cie, also of France, had established in the United States the

business in Java face powder in boxes and under labels substantially the same as those in controversy. The trade mark 'Java' was considered and favorably recognized in *Wertheimer et al. v. Batcheller Importing Co.*, 185 F. R. 850. The plaintiff corporation was organized in 1913, and for a consideration, involving *inter alia* the obligation to pay \$400,000. bought the entire business then and theretofore carried on by A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs, in the United States, viz.: The entire good will of said business in the United States and any and all trade marks, trade names and trade mark rights relating thereto in the United States and also the sole and exclusive right to manufacture and sell in the United States any and all toilet preparations then or theretofore made by the French concern. This transfer of trade marks included the transfer of the registered trade mark 'Java', the top and other labels of the boxes; and all of the trade marks which the plaintiff has subsequently used were re-registered. Thus, all of these trade marks and labels are, so far as the United States is concerned, exclusively the property of the plaintiff. It appears from the papers that during the time plaintiff has been in this business, it has expended substantial sums of money for advertising and in brief, by reason of its business methods, it has succeeded in creating a wide market in the United States for its products and the boxes of face powder here under consideration are associated in the public mind with the plaintiff corporation. In other words, it appears that plaintiff has built up not only an extensive and important business, but also an excellent business reputation for the character of its goods and that the plaintiff

depends in greatest measure upon its trade marks to prevent invasion of its rights.

"Plaintiff, apparently, from its inception, has bought and is continuing to buy the powder in bulk from the French firm, A. Bourjois & Cie, and then puts up this powder in the boxes containing the trade mark inscriptions. Plaintiff, however, may buy its powder from any house and will obviously do a favorable business in connection with its trade marks, as long as it satisfies the public; because one of the assets plaintiff has developed is the assurance to the public of the responsible character of any merchandise which appears upon the market under plaintiff's trade marks or in the 'get-up' of plaintiff's packages. Two outstanding features of plaintiff's package are the words 'Poudre Java' and 'A. Bourjois & Cie.' " (Judge Mayer's Opinion, pp. 33-34).

Since the plaintiff became the owner of the trade mark "Java" and of the other appurtenant trade marks, it has experienced much difficulty in suppressing counterfeits, some of which were so perfect that it was "next to impossible to identify them as counterfeits" (p. 27). Specimens of such counterfeits are shown in Exhibits I, J, K and L. Defendant's boxes coming upon the market as they do, without authorization of the plaintiff, might, for all that the plaintiff can tell, have been counterfeits cleverly prepared abroad. The defendant, although at first refusing to disclose to the plaintiff the source of her "Java" powder (pp. 18-20), enclosed the invoices for her French purchases in a sealed envelope, which was handed to Judge Mayer, who opened it and read the contents, which is printed on

pages 13-18 of the record. These invoices were accepted by Judge Mayer as evidence that the defendant's packages emanated from E. Wertheimer & Cie, Successeurs of A. Bourjois & Cie, of Paris, France, and, so far as France was concerned, were in that country not counterfeits but genuine.

These invoices, however, indicate clearly that defendant's activities are forceably directed against this specific plaintiff. There is no other single proprietary article mentioned in these invoices which at all approaches in volume the purchase of "Java". Of the total amount of these invoices,—about 52,000 Francs,—15,000 Francs represent "Java", approximately thirty per cent. of the total, thus indicating that "Java" is the leading item upon which the defendant's importing activities are concentrated.

The foregoing are the facts concerning which there is no dispute upon the Record, and as these facts are the fundamental facts which justify the protection of the plaintiff's business and trade marks as against an invasion of plaintiff's field by merchandise similarly packed and labeled but not emanating from the plaintiff, the remedy of preliminary injunction was proper.

### **The Plaintiff is Clearly Entitled to Protection.**

After the plaintiff's purchase, in 1913, of the trade marks and the good will pertinent thereto with respect to the entire territory of the United States, the French House of "Wertheimer & Cie., successeurs of A. Bourjois & Cie." (who had sold these trade marks to the plaintiff for a very substantial consideration), retained no trace or vestige of any interest or good will within the territory of the United States. It was the plaintiff and the

plaintiff alone upon whom fell the entire burden of the heavy expense of advertising, maintaining a sales force, controlling the product, etc., etc. The French seller of the United States trade marks, relieved of these burdens, might possibly have found itself able to sell in France, wherein the trade marks had not been sold, at a somewhat less price than the plaintiff could afford to place its goods upon the American market and, of course, the temporarily disordered exchange rate may also momentarily lessen the cost of face powder bought in Paris from the standpoint of an American merchant. This, however, is no excuse for allowing the defendant to use plaintiff's trade marks. The defendant may buy all the face powder she desires in Paris and freely bring it to the United States and sell it here at any price the defendant desires, but she must do so under defendant's own trade marks and not under the trade marks of the plaintiff.

All of the trade marks and labels involved in this case are, so far as the United States are concerned, solely and exclusively the property of the plaintiff and no other person or concern in the whole world has any rights to the use of said trade marks in this country.

The plaintiff's goods, due to the expenditure of a great deal of money for advertising during the last eight years—(the Court will take judicial notice that these particular years are probably the equivalent of a half century of ordinary untroubled years)—are widely and universally recognized throughout the whole of the United States as the output of this plaintiff and this recognition extends to the remotest quarters and sections of the country (see "Plaintiff's Exhibit M", pp. 28-30). Wherever and whenever a box of face powder appears upon the market in the United States like or similar to

the plaintiff's standard package, it is, in the language of plaintiff's affiant O'Connell,

"the indication and proof that the contents emanates from the New York Company and represents the selection, special treatments, packing and get-up of the New York Company" (p. 32).

Mr. O'Connell, who is a buyer for B. Altman & Co., one of the largest New York stores, and a practical, impartial expert in this trade, testifies that defendant's box would, to him, indicate and imply that A. Bourjois & Co., Inc. (the plaintiff), was responsible for its distribution and was concerned in its selection, packing, labeling, etc." (p. 33), and that "if he had any boxes of that kind in stock and there were any defect therein or if any complaints were received with respect to any such boxes, he would consider that A. Bourjois & Co., Inc., the New York corporation, would be responsible and would have to make good" (p. 33). Mr. O'Connell's view represents that of every dealer in the United States and of the public at large. Exhibit N (p. 31) is an example of how dealers look to the plaintiff to redress defects of Java packages, and Exhibit M (pp. 28-30), letters from many quarters of this country, shows how the public look to the plaintiff with respect to Java face powder.

It will be observed that the plaintiff has the sole and exclusive right, in connection with these trade marks here involved, to manufacture and to sell in the United States any powder which may best suit its purposes. The powder itself may be bought by the plaintiff from any source in any part of the world or it may be manufactured by the plaintiff directly in the United States. Thus far the plain-

tiff had found that the powder, *i. e.*, the contents of its boxes, which best suits the plaintiff's purposes, can be most advantageously procured by purchase in bulk from the French House of E. Wertheimer & Cie, but that source of the plaintiff's powder will continue only so long as the supply is of the proper grade and excellence satisfactory to the plaintiff. Should the powder of the French concern at any time become unsatisfactory for plaintiff's uses or other powder of equal grade or quality become available at better terms, the plaintiff may at will discontinue further purchases from this particular French House and procure its supply elsewhere or make it itself. The plaintiff is the entire Master of the situation in the United States and it is the plaintiff that is looked to by the public of the United States as the responsible guarantor of any merchandise which appears upon the market under plaintiff's trade marks or in the dress of plaintiff's packages.

It is obviously of importance that the plaintiff should remain entire Master of the situation with respect to any product that appears upon the American market under the name "Java". For example, in the affidavit of Douglas (p. 24) it is pointed out that the powder as manufactured in France is frequently unadapted to the requirements of the American consumers and that the powder requires special handling, sifting or recoloring in order to meet the requirements of the American public. It is not until the powder has passed the plaintiff's inspection and selection as to color adjustment, etc., and is or has been made to correspond with plaintiff's standard fineness of texture that the powder is packed in plaintiff's boxes, which are made in America, and provided with plaintiff's



labels, which are all printed in America, and only then the package becomes for the first time, after all this is done, the "Java" face powder which is known in America and which in this country enjoys a wide and favorable reputation. During the eight years that the plaintiff has alone supplied the American market, it has educated that market along certain lines, and due to this there is a considerable difference in the standard requirements of American consumers with respect to texture, color, etc., as contrasted with the present day requirements of consumers of similar powders in France. The French powder of to-day is frequently, though satisfactory to Parisian consumers, unsatisfactory to American consumers. The French, for example, prefer a darker shade of red in rose colored powders than do Americans and all of such developments and changes in respect to standards in the two countries is due to the fact that the public in America look to the plaintiff to control the quality of "Java" powder, whereas the public in other countries look to other makers.

Another illustration of the difference in the point of view of the two countries has to do with the expression "Poudre de Riz". This expression, which is the French equivalent for face powder, nevertheless when literally translated means rice powder. Due to the Pure Drug Acts of many States and general public interest in that type of legislation, the people of the United States have generally accepted it as a fact that the presence of rice in face powder is deleterious. See, for example, the advertisement of a competitor (Exhibit O, pp. 31-32). For many years, therefore, a condition has existed such that if a box of face powder contained rice and was not marked to state this fact, it was considered mis-

branding in some localities, whereas if it did not contain rice but was marked "Poudre de Riz", it was not only misbranded but likely to be held up by competitors to condemnation and scorn. The result of these conditions was that the plaintiff, although its packages originally in 1913 were brought upon the market as "Poudre de Riz", have for a long time been marked only with the label "Poudre Java", such as is shown in Exhibit G (facing p. 5). It will be apparent that this type of labeling is of great importance and that if "Java" is now allowed to be disseminated in the trade, under modern conditions, under the designation "Poudre de Riz de Java", competitors will be enabled to depreciate the excellence of plaintiff's product in the public mind by pointing to the apparent confession of the plaintiff that its powder did contain rice. The French manufacturers are not confronted with any such difficulties and, of course, their boxes are marked "Poudre de Riz", but if those boxes, in all other respects like plaintiff's, appear upon the American market and their distribution cannot be enjoined, the plaintiff's vast investment will be depreciated and, if the practice of selling imported "Java" in this contry continues long enough, will be entirely destroyed.

It is obvious that so long as the public of the United States look to the plaintiff as the guarantor of "Java" merchandise, and so long as the plaintiff is by purchase the exclusive owner of the trade mark "Java", the plaintiff is entitled to and deserves the full protection of equity to safeguard its property and its business.

As Judge Mayer said:

"In approaching the subject, it must be remembered that 'the right of property in trade

marks has come to be recognized as of immense and incalculable value' and that the 'proprietor of a trade mark by virtue of the manufacture or offering for sale of his goods is entitled to the protection which the highest powers of the Court can afford', *Scandinavia Belting Co. v. Asbestos & Rubber Works*, 257 F. R. 937."

(Judge Mayer's Opinion, p. 35.)

The plaintiff having, as explained, acquired its rights by purchase in 1913 at a very high figure and having then fortified and established those rights and having identified them with the plaintiff in the public mind by the expenditure of vast sums for advertising, etc., and the payment of enormous taxes, all representing the investment of American dollars in an American business, has undoubtedly become and now is entitled to protection against any invasion of the trade which it has built up and established, no matter what form that invasion may take or how plausible or specious the tendered justification for any such invasion may be.

### **The Defendant's Position in the Trade.**

The defendant is a registered pharmacist and owns and conducts a drug store at 706 Fairmont Place in the Bronx (pp. 10-11). Her importation and dealing in imported French products on a large scale is not natural to her conduct of her drug store. The importing business is carried on by her husband "as her purchasing agent" (p. 19). Her husband, traveling abroad, takes advantage of the low rate of exchange and buys products such as are shown in the invoices (pp. 13-18). This is not a business but a speculation. Defendant runs a drug store and not an importing business and there is no suggestion in any of defendant's affidavits that she is in

any regular way known as an importer or in any established business of importing French goods. To the defendant, her entire interest in importing "Java" is to make a few dollars because of the possibilities offered by the low exchange rate. To the plaintiff, the defendant's activities threaten plaintiff's entire life and the investment of a fortune.

### **The Alleged "Genuineness" of Defendant's Product.**

Judge Mayer has dealt so concisely, ably and fairly with this question that we can do no better than to repeat his words:

"Defendant's trade mark is genuine in the sense that it was not spurious at the place of origin and that no change has been made since it was sold; but, it is genuine as matter of law only if defendant has the right to sell within the territory where plaintiff is the exclusive owner of the trade mark and under the doctrine of the *Hanover Star Milling Company* case, *supra*, where, also, plaintiff has established the business in the product in connection with the trade mark.

The case at bar is obviously stronger than that considered in the *Hanover Star Milling Company* case. In the case at bar, plaintiff has expended a large sum for the acquisition of the trade mark title and rights, and a large sum for the advertisement of its business. Plaintiff had corralled the American market before defendant's boxes were brought into the American market. If, now, the original French boxes or packages can lawfully be permitted to compete with plaintiff's boxes or packages, it can be readily seen that plaintiff's business may be destroyed, and, in any event, impaired. The question, on its face, is one involving business interests in a large way. If an Ameri-

can business concern buys all of the rights, as in the case at bar, of a business established here by a foreign concern and then the foreign concern is nevertheless at liberty to compete with the American concern, the result will be that the purchase of rights, under such circumstances, will give little or no protection; and the foreign concern as well as the domestic concern will be seriously injured in the long run, because American capital certainly will not be invested and foreign concerns will find it difficult to sell the rights which they have developed in this country.

It should be said in justice to A. Bourjois & Cie of France that there is nothing in the record which justifies the conclusion that this competition has been undertaken with their knowledge or consent, and it should be said in justice to defendant that thus far defendant has relied upon what she regards as her legal rights. The question is one of law which calls for definite and prompt settlement" (pp. 35-36).

### **The Trade Mark Statute.**

The trade mark laws of the United States consist of the Act of February 20, 1905, as amended and its pertinent passages are for the convenience of the court here reproduced.

Section 1. That the owner of a trade mark used in commerce with foreign nations or among the several States \* \* \* may obtain registration for such trade mark by complying with the following requirements: First, by filing in the Patent Office an application therefor \* \* \*. Second, by paying into the Treasury of the United States the sum of ten dollars \* \* \*.

Section 6. That on the filing of an application for registration of a trade mark which complies with the requirements of this act,

and the payment of the fees herein provided for, the Commissioner of Patents shall cause an examination thereof to be made; and if on such examination it shall appear that the applicant is entitled to have his trade mark registered under the provisions of this act, the Commissioner shall cause the mark to be published at least once in the Official Gazette of the Patent Office. Any person who believes he would be damaged by the registration of a mark may oppose the same by filing notice of opposition, stating the grounds therefor, in the Patent Office within thirty days after the publication of the mark sought to be registered \* \* \*.

Section 10. That every registered trade mark and every mark for the registration of which application has been made, together with the application for registration of the same, shall be assignable in connection with the good will of the business in which the mark is used. Such assignment must be by an instrument in writing and duly acknowledged according to the laws of the country or State in which the same is executed; any such assignment shall be void as against any subsequent purchaser for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from date thereof. The commissioner shall keep a record of such assignments.

Section 11. \* \* \* Certificates of Registration of trade marks may be issued to the assignee of the applicant, but the assignment must first be entered of record in the Patent Office \* \* \*.

Section 12. \* \* \* Certificates of Registration may be from time to time, renewed for like periods (20 years) on payment of the renewal fees required by this act, upon request by the registrant, his legal representatives, or transferees of record in the Patent Office \* \* \*.

Section 13. That whenever any person shall deem himself injured by the registration of a trade mark in the Patent Office, he may at any time apply to the Commissioner of Patents to cancel the registration thereof \* \* \* (note: no fee is required in cancellation proceedings.)

Sec. 17. That the circuit (now district) and territorial courts of the United States and the supreme court of the District of Columbia shall have original jurisdiction, and the circuit courts of appeal of the United States and the court of appeals of the District of Columbia shall have appellate jurisdiction of *all suits at law or in equity respecting trade marks registered in accordance with the provisions of this act, arising under the present act, without regard to the amount in controversy.*

Sec. 19. That the several courts vested with jurisdiction of cases arising under the present act shall have *power to grant injunctions, according to the course and principles of equity, to prevent the violation of any right of the owner of a trade mark registered under this act, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for wrongful use of a trade mark the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby, and the court shall assess the same or cause the same to be assessed under its direction. The court shall have the same power to increase such damages in its discretion, as is given by section sixteen of this act for increasing damages found by verdict in actions of law; and in assessing profits the plaintiff shall be required to prove defendant's sales only; defendant must prove all elements of cost which are claimed.*

Section 27. That no article of imported merchandise which shall copy or simulate the



name of any domestic manufacture, or manufacturer or trader, or of any manufacturer or trader located in any foreign country which, by treaty, convention, or law affords similar privileges to citizens of the United States, or which shall copy or simulate a trade mark registered in accordance with the provisions of this act or shall bear a name or mark calculated to induce the public to believe that the article is manufactured in the United States, or that it is manufactured in any foreign country or locality other than the country or locality in which it is in fact manufactured, shall be admitted to entry at any custom house of the United States; \* \* \*

Section 29. That in construing this act the following rules must be observed, except where the contrary intent is plainly apparent from the context thereof: \* \* \* The term "applicant" and "registrant" embrace the successors and assigns of such applicant or registrant.

**Trade Marks are Property, to be Protected like other Property, and Primarily for the Benefit of the Owner.**

That trade marks are property was settled in the *Trade Mark Cases*, 100 U. S. 82, 92, 93.

"Property in trade marks, exclusive and absolute, has existed and been recognized as a legal possession, which may be bought and sold and transmitted, from the earliest days of our recorded jurisprudence" (Upton on Trade Marks, p. 10).

"The right of property in trade marks has come to be recognized as of immense and incalculable value" (*Scandinavia Case*, 257 Fed. Rep. 937, 941).

That trade mark property is not only entitled to the full protection of the courts but to the protection which the highest powers of the court can afford, is set forth in so many words in *Scandinavian Belting Co. v. Asbestos & Rubber Works*, 257 F. R. 937 (C. C. A., Second Circuit), quoted with approval by Judge Mayer (record, p. 35) :

"Trade-marks, good will, or rights to use the names of individuals, become, when sold, the property of the person to whom transferred, and do not thereafterwards rest on mere contract; and, without any specification in the instrument of transfer, and merely as inherent to the essential rights of property, they must, with all their incidents, be protected by the courts in the hands of the transferee against all assaults and artifices."

*Le Page Co. vs. Russia Cement Co.*, 51 F. R. 941, 943.

Judge Mayer's views of the protection to which the present plaintiff is entitled are set forth on pages 33-37 of the record.

Judge Augustus Hand, in the case of *Bourjois v. Aldridge* (question certified to this court, case No. 408), in an unreported opinion, said :

"Under such circumstances I think protection should be afforded \* \* \*. I have said enough to indicate that I am in agreement with the views of Judge Hough who dissented in the case of *A. Bourjois & Co. v. Katzel* (275 Fed. 539), and Judge Mayer, who wrote in the court below, 274 Fed. 856. That case is now before the Supreme Court upon a writ of certiorari. It seems to me unfortunate if a foreign manufacturer who has sold his American business and trade marks can in effect still compete with his vendee through sales to American im-

porters (or persons buying to sell to these importers) who use the same trade marks here."

Judge Hough, in his Opinion, Record, page 51, said:

"It is not yet settled whether a trade mark is to be primarily regarded as protecting the trade mark owner's business from a species of unfair competition, or protecting the public from imitations. The decision in this case seems to me to lean the wrong way, because in my opinion a trade mark is primarily a protection to the owner's business. It is attached to the business, is a part of it, and cannot be detached therefrom; there being no such thing as the transfer of a trade mark in gross. If this be true it makes no difference whether the plaintiff's business grew out of an agency for another, provided only that it be shown that it is an honest business and belongs to the person who attached, and (perhaps) duly registered the trade mark, which describes the product of that business.

This plaintiff made a business in Java powder. It is an honest business, and whatever rights the French Manufacturer had in the United States became the rights of the plaintiff. If, therefore, the primary function of the trade mark is to protect this plaintiff's business in his own country, it makes no difference at all that the genuine French article is the thing offered by defendant. That genuine article has become an infringement because the business of dealing in that article within the United States is the plaintiff's business."

The United States Circuit Court of Appeals for the Second Circuit, in a recent unreported opinion in the case of *Coty vs. Prestonettes*, sustained Coty's complaint and ordered a sweeping injunction against the use of the trade mark COTY on small

vials filled by the defendant with some of Coty's famous perfumes and offered to the public under a label bearing the trade mark CORY, the court saying:

"The courts have not authoritatively and finally determined whether a trade-mark is to be primarily regarded as protecting the trade-mark owner's business or as protecting the public against imposition by its unauthorized and improper use. But we venture to think that while the purpose the Trade Mark Acts is twofold the primary purpose is the protection of the trade-mark owner's business. If the sole purpose of the act be the protection of the public that certainly cannot constitute a sound reason for affording a private remedy. Fraud upon the public cannot be the ground of private action or suit. *Leather Cloth Co. v. American Leather Cloth Co.*, 4 DeG. J. & S. 137, 141, aff. in 11 H. L. Cas. 523; *Webster v. Webster*, 3 Swans, 490, note; *Schneider v. Williams*, 44 N. J. Eq., 391. But whatever difference of opinion may have existed on this subject we think the Trade Mark Acts operate and are intended to operate for the protection of the business of the owner of the trade mark and also for the protection of the public against imposition and fraud. And in order that this intent of the Acts may be given its fullest effect, we think the plaintiff herein is entitled to the injunction which he seeks."

The foregoing Opinion was written by Judge Rogers with whom sat Judges Manton and Mayer, both of whom concurred.

It seems to be conclusively established that trade marks are property regarded by the courts as of exceptional value and as entitled to the amplest protection against any type of variety of infringement no matter how ingenious or specious, and that this

protection will be afforded to the owner of the trade mark whether the trade mark is his by original adoption or by assignment. It seems furthermore to be the accepted view that the protection accorded in trade mark cases is not primarily the protection of the public but very largely, if not primarily, the protection of the trade mark owner and of his business in which the trade mark is used.

### **The Crux of the Present Case.**

Whenever a purchaser buys a box of defendant's powder that purchaser believes, by reason of the trade marks on the package, that the plaintiff's reputation and guarantee stands behind the product (see Record, p. 32). This, in the United States markets, is the result of the presence of plaintiff's trade marks on the non-plaintiff's goods and is equivalent to a false representation to the public as well as a direct interference with plaintiff's lawful market and consequently, upon all theories of trade mark protection, constitutes enjoinable subject matter. The plaintiff's reputation is drawn in with respect to goods with which the plaintiff is in no wise associated and this creates a situation requiring redress. The situation is different in a case in which for special reasons or under special circumstances the public is not concerned with a plaintiff's association with a trade mark. Thus a customer desiring to purchase French Vichy or Hunyadi Janos expects to receive the product of certain springs, no matter through what agent these waters may be distributed. A purchaser of Eternelle violin strings expects to receive Müller's famous German product and he is not interested in the identity of Müller's New York exclusive selling

agent. The purchaser of LePage's glue wants to be sure that LePage or LePage's assignees made it. In none of the cases referred to was the plaintiff's reputation in any way involved or placed in jeopardy. When, however, that reputation begins to be drawn upon to move competitive goods then intervention by the courts is imperative.

### **Argument (continued).**

It is well known that the Trade Mark Law of the United States is founded upon the common law view of trade marks, whereas trade marks in the so-called code countries, *i. e.*, Continental Europe and Latin American countries, rests solely upon the foundation of arbitrary statutes. In the code countries no matter who, under our view, would be considered the common law owner of a trade mark, the first registrant gets it and will be protected as the true owner thereof even as against an earlier or more widely known user. The practice of registering well known American trade marks in Cuba and then closing the Cuban market to merchandise legitimately bearing the American trade mark, has become so frequent as to amount almost to an international scandal, but it serves well as an illustration of the difference between common law countries and code countries. It is a matter of general experience that Americans and American concerns are to a large extent powerless to protect their trade mark rights adequately in any of the code countries, and this plaintiff obviously has no means of enforcing the rights which it enjoys in the United States, in any other country. But the fact that we are remediless in foreign jurisdictions in no wise detracts from full protection in our own country. Within the United States, where the plaintiff's

trade has been built up and where, according to established law, the plaintiff's trade will be protected, the plaintiff has, or ought to have, the full measure of protection against an invasion of its property rights and of its established trade against merchandise similarly appareled but imported into this sovereignty from foreign shores. This proposition in general is not capable of debate.

The defendant, however, claims that because the powder which it purchases in France emanates from the same manufacturer from whom the plaintiff buys its powder in bulk, and despite the fact that defendant's powder is bought by the defendant in France in boxes which, when introduced to the United States market, would mislead it into the belief that the merchandise emanates from the plaintiff, the defendant has acquired the right to sell such infringing boxes in the United States.

This supposition of the defendant is founded upon a fallacy. The defendant undoubtedly has the right to purchase in France as much face powder as she desires from the same source from which the plaintiff buys, and the defendant also has the right in the resale of that powder, either in bulk or in smaller packages, to state truthfully what that powder is and to say that it was manufactured by whosoever may have made it.

But that is the limit of the defendant's right.

Defendant cannot lawfully have the powder packed in boxes which counterfeit plaintiff's; she may not do so in this country and of course she may not circumvent that condition by buying in a foreign country and importing into this country. Defendant may not lawfully buy abroad for the purpose of invading the United States (where the mark "Java" is recognized as designating plaintiff's trade), powder packed in boxes which, when im-



ported into the United States, will deceive the trade in this country. The fact that boxes which would be considered counterfeits in the United States may be lawfully sold in a foreign country, does not confer upon the defendant any right to import them into this and thereby to injure an established business. In countries like Turkey, which have no trade mark law, it might be entirely lawful to duplicate the plaintiff's package, but that fact would not open the United States market to such products. In France, to which the plaintiff's trade does not extend and where the plaintiff, consequently, has neither common law trade mark rights nor rights under the French code, plaintiff's package may very well form the subject of exclusive ownership on the part of the first registrant, but that fact does not make them the plaintiff's product nor make them the thing which in the United States is recognized as "Java" face powder since in the United States "Java" face powder means the output of the plaintiff corporation and not the product of any other concern.

But for the labor and energy expended by the plaintiff in securing public recognition in the wide spread market for boxes marked "Java" and having the appearance of plaintiff's boxes, it would never have occurred to the defendant to import from France, thereby showing that the effect of such importation is to take advantage of a trade which logically and naturally is the plaintiff's. If defendant's product comes upon the market here and contains deleterious ingredients, or is in any way the subject of criticism, who suffers? Certainly no one in France, as no French concern has any established business in this country capable of being injured, but with absolute certainty the plaintiff would be injured since every one in the United States looks to

the plaintiff as the source and origin of the goods. In this way the plaintiff's vast investment can be rendered nugatory through no fault of its own and solely by reason of circumstances over which the plaintiff has no control in case the defendant's activities and others of a like nature are not checked.

The defendant, however, by repeating the claim that its products are "genuine", tends to create a false impression. Whatever may be "genuine" in France or elsewhere, there is only one "genuine" "Java" face powder in the United States and that is the plaintiff's. A Canadian or Mexican dollar is a lawful dollar in its own country but it is not a dollar in the United States and any one who would attempt to pass Canadian or Mexican dollars in the United States as being the thing recognized in this country as a dollar, would clearly be guilty of fraud. There are, of course, cases where the question of "genuineness" is involved but this is not one. Where, for example, a trade designation is recognized throughout the United States as representing the product of a particular spring located in a foreign country or as the product originally packed by some recognized foreign house represented in this country by an agent, even though he be an exclusive agent, the "genuine" product in each case in the mind of the public will be the product which emanates from the concern which in the United States is known and recognized as the true source and origin of the goods.

Thus Vichy from the French springs or Hunyadi from the Hungarian springs can always, when imported into the United States, be sold as Vichy or Hunyadi because it is in truth and in fact that which the public here recognize as the thing they desire to buy.

So again the sale in the United States of violin strings, sold here under the name "Eternelle" and known throughout the United States as being the product and output of Müller of Germany, would in no sense undermine Müller's market in the United States whether imported through his exclusive agent in New York or through any other concern; on the contrary, so far as Müller's trade with the United States is concerned, which is the trade which the United States recognizes, Müller's business would only be fostered.

Where, however, as in the present case, the people of the United States recognize a product as the output of an American concern and where that American business has been built up with American money and is known as representing American enterprise, so that all goods marked with the trade mark of said American concern ("Java" in this case) are known as the output and product of the American concern, there is no such thing as any question of "genuineness".

The determining factor of the legality or illegality of a distribution of goods in the United States to the American trade is in every case the same and is "Whose trade does the American public recognize as represented by this package when distributed in American markets?" If the American public recognize a package which comes upon the markets here as the output of an American company, then it is unlawful for packages having other origin but similarly dressed to enter that market. And that is the case here in view of the unquestioned testimony of O'Connell that the defendant's packages, when distributed upon the American market, would be taken as indication and proof, from the appearance thereof, that they emanated

from the New York company and that the New York company was responsible for the packing and contents and would have to make good any defects therein.

The two most illuminative authorities happen to be the two most carefully and best considered of recent decisions, *Scandinavia Belting Co. v. Asbestos Works*, 257 Fed. Rep. 937, C. C. A., Second Circuit, and *Hanover Milling Co. v. Metcalf*, 240 U. S. 403. In the Supreme Court case ("Tea Rose" Flour), an Ohio corporation which for over forty years had built up a business in certain Northern States in flour under the trade mark "Tea Rose" was enjoined from importing and introducing flour under that trade mark into Alabama, Mississippi, Georgia and Florida, in which latter states an Illinois company had built up during eight years preceding the bringing of the suit a substantial business in "Tea Rose" Flour, so that within those special States "Tea Rose" Flour indicated to the public the product of the Illinois company and not the product of the older adopter, the Ohio company. The theory upon which this decision was based is that it is the trade and not the mark that is protected, and if the trade in a particular section of the country or in the country as a whole is the trade of some particular concern, that concern will be protected in its trade even as against concerns having far older initial rights and whose product within their own territory or localities is entirely genuine and are there rightfully sold under the same trade mark.

Surely if a northern manufacturer can be enjoined from marketing his goods (genuine in his own locality) in other parts of the United States (wherein they create false impressions as to

origin), a concern whose trade marks are recognized throughout the entire United States is entitled to protection against an invasion of his trade through foreign products which do not emanate from the sole rightful user thereof in this country.

In the *Scandinavia Belting* case, a very careful and exhaustive opinion, the Court of Appeals was confronted with a somewhat peculiar question. The plaintiff, an American corporation, was the American representative of the products of an English company, the English company agreeing not to sell its Scandinavia belting to any concern in the United States other than the American corporation, and further that the American company should have the exclusive use in the United States of any trade marks used by the English company in marketing the belting. This agreement was limited as to its term to expire in 1936. The American company thereupon registered the trade mark "Scandinavia" and brought suit in its own name against an infringer. The defendant objected that the trade mark was really the property of the British company and that the American company had no right either to register the British company's trade mark as its own or to prosecute the suit upon any such theory, the plaintiff in its bill having alleged that it was the agent of the English company. The plaintiff's rights were, however, fully sustained by the Court of Appeals (257 Fed. Rep. 937, 952-958). In the opinion it is stated:

"The right to use the mark in this country was a right to use it as applied to the goods which the plaintiff manufactured or otherwise acquired and sold. The function of the trade mark being to identify either origin or ownership, it may be that the plaintiff acquired a right to use the mark on any belting it owned

from whatever source obtained. That question is not here and is not decided. If the plaintiff did acquire that right, it would afford a *conclusive reason* for holding that the plaintiff had such ownership of the trade mark in the United States as entitled it to its registry" (p. 956).

In the case at bar plaintiff concededly did acquire the very right which according to the Scandinavia decision affords the conclusive reason for according full and complete protection.

It should be noted that the *Scandinavia* case involved merely an agent of a British concern as plaintiff and that it was to this extent similar in the facts of the case to the *Eternelle* case, 238 Fed. Rep. 780. In both of those two cases the trade mark was *de facto* the trade mark of a foreign concern and the trade which the Court was willing to protect was the trade of the foreign true owner in so far as it reached the United States through a representative or agent. The trade which required protection in both of those cases was the trade of the foreigner as represented by a local agent. In the present case, however, where the foreigner has no trade in the United States at all, and all the rights that the foreigner had ever had in this country passed from him eight years ago and became vested wholly, completely and without any strings or reservations in the plaintiff company and the plaintiff company has the right to make or to buy the thing which it sells anywhere in the world and to put it up in this country under labels which by reason of plaintiff's efforts and industry have become identified with the American company, it is the American company's trade and no other which is known and recognized in the United States and

which is entitled to protection against any form of invasion. In the United States there is only one genuine "Java" face powder and that is the plaintiff's.

This difference in fact between cases of the type represented in the *Scandinavia* and *Eternelle* cases, on the one hand, and the case at bar on the other, is most clearly emphasized by Judge Ward's short concurring opinion at the end of the *Scandinavia* decision (257 F. R. 962). Judge Ward there says:

"If the plaintiff company is merely the exclusive agent of the English company to sell its products in this country \* \* \* I think the English company is the owner both of the trade mark and of the business to be protected and is alone entitled to register the trade mark under the United States statute and to sue for infringement of it \* \* \* On the other hand, if the plaintiff company purchases the English company's product outright, and is given the exclusive right to do so in this country, together with the right to use the trade mark for that purpose which has come to indicate the plaintiff company as the source or origin of the goods, then the business to be protected is the plaintiff company's business and it has the right to register the trade mark under the United States Statute and to sue for infringement of it."

It appears to us that this is controlling. Upon the facts of the case at bar who, for example, is interested in suppressing infringement? A French company that has no business here is, obviously, not interested in suppressing infringements here but, on the contrary, if its French products (conceding that they are not unlawfully so packed in France), packed in containers closely resembling plaintiff's, can find an outlet through French job-



bers and dealers into the United States, the French company's business will thereby only be multiplied and in time a business in the French products will be established in the United States. Meanwhile the plaintiff can carry the burden of advertising and of protecting the goods against imitation while the French company has no responsibility or burden in that regard whatsoever. The plaintiff company is thus compelled to protect and fortify a market, if defendant's contention be sound, so that the French company which owes no duty to the people of the United States may come cheaply in and gnaw at the vitals of plaintiff's very existence. The very fact that the French concern's goods may be lawful and genuine in France makes it all the more necessary that the plaintiff be protected against the distribution of the French merchandise in the United States since the attribute of "genuineness in France" is the main lever and entering wedge upon the basis of which defendant, or others like her, can solely hope to sell her imported merchandise in the plaintiff's market. Not only does the plaintiff need the protection which was accorded in the "Tea Rose" case by the Supreme Court upon the general ground that the American distribution of the goods imported from France is injurious to the plaintiff's established trade but because the French goods represent a particularly and specially vicious form of injury due to the very fact that the French goods are in their native country lawful and genuine under the French code.

The plaintiff's title to the trade mark rests primarily in the business which it has for the last eight years established throughout the United States. This business has not been conducted as an agency or in any representative capacity but as

owner and as sole and exclusive proprietor of the trade marks, labels, etc., which the plaintiff has used. Plaintiff's original investment and ownership of the trade marks was, however, by way of an outright purchase of the entire good will and all trade mark rights in the United States from the very French company whose French merchandise the defendant now seeks to sell. Plaintiff's investment and purchase was made under authority of the Trade Mark Law which provides in Section 10 that

"every registered trade mark shall be assignable in connection with the good will of the business in which the mark is used".

The assignment of the statute is a complete assignment and not an assignment which exempts from the transfer products of the assignor if located abroad. Were this otherwise no American capital could ever afford to invest in the purchase of a trade mark owned by a foreigner. If the assignment were from a United States owner to a United States assignee, the assignee would unquestionably be protected against any subsequent marketing in the United States of products offered under the assigned trade mark by the assignor or any jobbers or dealers claiming under the assignor. This rule goes even so far as to prevent an assignor from thereafter using his own name in the same line of business if his name had theretofore been a quasi trade mark which had passed to a new owner under assignment (*LePage v. Russia Cement Co.*, 51 Fed. Rep. 941, C. C. A., First Circuit). In that case it was said:

"Trade marks, good will or the rights to use the names of individuals, become, when sold, the property of the person to whom transferred,

and do not thereafterwards rest on mere contract; and without any specification in the instrument of transfer, and merely as inherent to the essential rights of property, they must, with all their incidents, be protected by the courts in the hands of the transferee against all assaults and artifices."

The mere fact that the assignor resides in a foreign country does not change the statute or amend it but, on the contrary, should call for a construction of the statute which will most efficiently protect the assignee. If a trade mark can be assigned by statute and is assigned under that statute, the new owner, if he maintains the trade, becomes the absolute owner entitled to all protection against every other person or concern. After the date of such an assignment, if the assignment is valid and legal, no goods made anywhere in the world or by anyone in the world can be genuine in the territory assigned except the goods of the assignee. It would be a monstrous doctrine that the American owner of a trade mark can sell it and then by establishing a rival factory in Cuba, Canada or Mexico could have his customers bring his competitive products freely upon the United States market in competition with the products of his assignee under the same trade mark. The fact that the new American owner has no remedy in Cuba, Canada or Mexico and no means to prevent manufacture or distribution under the assigned United States trade mark, in such foreign countries, does not deprive him of his right to complete protection, particularly against the goods of his assignor in this country. If Section 10 of the Trade Mark Statute means anything, it means that a trade mark when assigned is wholly, com-

pletely and entirely the property of the assignee and that so far as this country is concerned and the assignee's good will in this country is involved, the assignor's products, no matter in what place here or abroad they may be made, must henceforth keep off the American market in which they are no longer genuine. The only circumstance that makes defendant's product saleable in this country is the fact that they resemble the plaintiff's well established goods and the plaintiff's good will has been built up through eight strenuous years by a most substantial investment. The goods of the French concern have not been on the United States market for eight years and are wholly unknown here. The trade that is known in the United States is the trade of the plaintiff. Under the Supreme Court decision in the "Tea Rose" case, therefore, the trade which is to be protected is the plaintiff's even though in some other place or some other jurisdiction or under some other sovereignty the same trade mark may be in lawful use there.

Although the law of trade marks may be said to be a law for the protection of trade rather than for maintaining monopoly, there are nevertheless close analogies between the Trade Mark Law and the Patent Law.

The essence of the property in trade marks, just as in patent cases, is the right to exclude, *i. e.*, the right to prevent an invasion in the territory in which (under Trade Mark Law) the registrant's property rights are exercised and established or in which (in patent cases) the patent monopoly is recognized. The same general principles, therefore, which respect to remedies, are pertinent to both types of cases. While there are no recorded decisions which directly adjudicate the rights of

an American assignee of an entire American business and the trade marks appurtenant thereto from a French concern as against the further marketing in the United States of the products of the French concern made abroad, we do find in the reported patent cases a number of decisions in which those rights are clearly set forth. Thus in *Boesch v. Graff*, 133 U. S. 697, 703, Chief Justice Fuller said:

"The right which Hecht had to make and sell the burners in Germany was allowed him under the laws of that country, and purchasers from him could not be thereby authorized to sell the articles in the United States in defiance of the rights of the patentees under a United States patent."

In *Dickerson v. Tinling*, 84 Fed. Rep. 192, the Court of Appeals, Eighth Circuit, said:

"One who purchases in a foreign country of others than the owners of the United States patent or their vendees, pays nothing either directly or indirectly to the owners of the patent and, therefore, he acquires no right to make, use or vend the article which he buys within the territorial limits of their monopoly".

See also

*Dickerson v. Matheson*, 57 Fed. Rep. 524,  
C. C. A., Second Circuit.

*Daimler Co. v. Conklin*, 170 Fed. Rep. 70,  
C. C. A., Second Circuit.

The effect of these decisions and of many others of the same character is that goods though legally on sale in foreign countries, are not genuine in this country or licensed to be sold in this country unless the goods bear the stamp of approval of the person who in the United States is recognized as the person who has the proprietary interest in similar

goods in this country. It is immaterial, it seems to us, whether the rights involved are patent rights or trade mark rights. The question is who do we recognize in the United States as the owner, and once that is determined, all other goods not emanating from that owner are spurious and not genuine in this country. This rule should be far more tender and sensitive in trade mark cases than in patent cases since a trade mark represents a person's reputation, which is likely to become tarnished with the slightest breath of suspicion relative to genuineness of product. In patent cases, on the other hand, nothing more is involved than a cold question of dollars and cents since in patent cases every wrong can be measured and adjusted upon a monetary basis. A single box of the French merchandise packed under the "Java" labels and containing deleterious ingredients can forever ruin the reputation of plaintiff's product in an entire community if not throughout the whole country. The plaintiff is the concern whom the public trusts, believes in and to whom the public look toward maintaining on the market only the best and standard grade of face powder under the "Java" trade mark. If any one else, it matters not who, but if a single person can creep into plaintiff's market and infest it with boxes of identical appearance with the plaintiff's, plaintiff's entire reputation is placed in the hands of that other person and is at his mercy. What a magnificent field for unscrupulous competitors that would be!

If the plaintiff is to maintain its position and business, its reputation and its trade in the United States, it must be left in sole control over every package of "Java" face powder that comes upon this market, no matter from what source those boxes originate. This is not only essential for the pro-

tection of the plaintiff's business for the reasons stated but is plaintiff's legal right under the statutes and authorities, and it is that right which the plaintiff invokes in support of this motion.

The defendant relies chiefly upon the decision of this Court in *Gretsch v. Schoening*, 238 F. R. 718, to which reference has already been made in this brief. Judge Mayer disposes of that decision by stating that

"in the *Gretsch* case the question here presented did not arise. There was not situation, such as this, where the original owner of the business and its trade marks had completely parted therewith to a vendee who had proceeded upon the strength of his ownership to develop an American market" (p. 37).

The *Gretsch* or *Eternelle* case, already amply distinguished by the difference in the facts of that case when contrasted with the facts of the case at bar in that the former was an agency case whereas the latter was a case of outright ownership through assignment under Section 10 of the Trade Mark Statute, is further in a class by itself for the reasons stated by Judge Mayer (p. 37). That case was brought under Section 27 of the Trade Mark Statute, which provides a peculiar and special form of relief in certain particular specified cases. The relief of Section 27 represents a new departure in Trade Mark Law; it is not a part of the law of common law trade marks but is a purely statutory creation which, consequently, must be strictly interpreted. The Section was drawn and enacted to serve primarily to check the importation into this country of foreign merchandise simulating or counterfeiting American labels, trade marks or trade names, and the officials of the United States in the Custom House were



made agents to prevent importation of spurious goods. Naturally the invocation of such a law as against goods which in this country were widely recognized and known as made by Müller of Germany, for the supposed protection of products of that very Müller, presented a question which was extremely doubtful and which by the Court of Appeals was resolved against the plaintiff. At any rate, only the question of the admissibility of the goods through the Custom House officials was involved in the *Eternelle* case and not the question of the standing of the imported merchandise in the markets of the United States or as affecting some established trade here of a hostile character to the goods imported under the same trade mark.

So in the present case it may possibly be (although we believe otherwise upon our facts) that the Custom House officials might have rightfully admitted the defendant's "Java" face powder under Section 27 of the Trade Mark Law. The mere importation as such does not injure the plaintiff. The subsequent marketing, however, of the defendant's goods in a market in which the appearance of defendant's merchandise represents and is universally known to represent the plaintiff's products, brings about a direct and vicious attack upon the trade which is plaintiff's and the business which the plaintiff has established. Whatever the rights of the plaintiff under Section 27 may be, those rights are not here in issue but what is in issue are the plaintiff's broad general rights under its trade marks as registered.

Defendant also relies upon the decision in *Appolinaris Co. v. Scherer*, 27 F. R. 18, which involved the importation of Hunyadi Janos. It is well established that the name of a spring or other geographically located evidence of natural phe-

nomena—mountains, lakes, etc., are not trade marks. Names such as these are protected against misuse but they are not trade marks. The reason why they are not trade marks is that their geographical significance is their primary and predominant characteristic. If Hunyadi Janos were a trade mark in the United States and that trade mark was sold and the purchaser bottled Michigan waters and sold them as Hunyadi Janos, the public would always believe that the product came from the original springs in Hungary and, of course, such a procedure would be a fraud on the public. In other words, a trade designation which depends upon geography for its true significance with respect to source or origin of merchandise, can never be divorced from the locality to which the trade designation is peculiarly applicable. Consequently, "Hunyadi" will always mean a product of Hungary. True trade marks, however, are differently situated. "Sapolio" in America is the product of an American concern and will be protected accordingly. "Sapolio" in England may be the product of an English Sapolio company and will there be fully protected in favor of the English company. Each country recognizes within its own confines the actual distributor of the goods within that territory as the source and origin of the merchandise. Similarly, of course, since "Java" face powder is recognized in America as emanating from the plaintiff, it will be protected accordingly quite irrespective of what conditions may prevail in any other foreign country with respect to the ownership in such foreign country of the trade mark "Java" for such foreign territory. The Hunyadi Janos decision is in no sense applicable to the facts at bar.

Defendant also relies upon the case of *Russia*

*Cement Co. v. Frauenhaar*, 133 F. R. 518. In that case the defendant had bought plaintiff's glue, in the open market, in barrels and had then bottled the glue and labeled it as being plaintiff's glue bottled by the defendant. Obviously that authority has nothing to do with the present case.

As against the citations of the defendant, we tender the Trade Mark Law Act itself which authorizes and provides for the transfer of trade marks. According to that Act trade marks may be transferred and in our case they were transferred under that Law. Since plaintiff owns those rights and owns them fully, he owns them as against every act which is derogatory to the complete ownership of the trade marks. In this country the plaintiff is "Java" and "Java" is the plaintiff and there can be no other "Java" but plaintiff's.

The plaintiff's business may by the death of stockholders or sale of stock pass into hands wholly antagonistic to the French concern from which at present the plaintiff draws for its supply of face powder. The plaintiff's powder may, for any number of causes, be made or bought elsewhere. The plaintiff may become bankrupt and its business sold but no matter what happens, the trade mark is always entitled to the same protection. "Where the business goes the trade mark goes" (*Ammon & Person v. Naragansett Co.*, 262 Fed. Rep. 880, 884), and wherever the business and trade mark go they are entitled to the same protection, *i. e.*, protection against the appearance on the American market of packages which will cause confusion with the trade that has been established in the business with which the trade mark is connected and of which the trade mark is the symbol of sole and exclusive proprietary rights.

A very interesting authority is *Gorham v. Weintraub*, 196 Fed. Rep. 957. In that case the Gorham Mfg. Co., Silversmiths, had adopted as a part of their trade mark in the United States a well known English hall mark. An injunction was granted against the infringer in spite of the fact that the British Government intervened as an *amicus curiæ* and protested that since these hall marks were in England a symbol of genuineness of silverware, an award of exclusive rights with respect to those same symbols to the American Gorham Company would prevent the genuine British silver from being freely sold in the American market.

After all, the entire question comes down to a very simple point. If the new goods which appear in the American market through the agency of a defendant will, when marketed here, tend to create the belief or the impression that the goods emanate from the plaintiff because of the plaintiff's established reputation and trade, then the defendant's goods have no right or license to appear upon the American market no matter whence they come or under what circumstances they were made, sold or distributed unless in their manufacture, sale or distribution they received somewhere the cachet of the plaintiff itself. If such goods, appearing upon the American market, have nowhere received the authorization of the plaintiff, then so far as the American market is concerned the defendant's goods are marketed in violation of the plaintiff's rights under its trade marks as registered.

### **In Reply to Defendant.**

Defendant's brief below sets up three points.

*The first of these points* is that the order for preliminary injunction was improperly granted because the papers did not present a proper case for preliminary relief.

As a matter of fact, a clearer case than the present is rarely presented in connection with any motion for a preliminary injunction. The facts are not in dispute and the law that a registered trade mark is entitled to protection against every form of invasion is entirely clear. The plaintiff's need for speedy relief is also clear, so that this case presented an ideal subject for a preliminary injunction.

*Defendant's second point* is that there was no violation of the Trade Mark Law on the part of the defendant, and in support of this point defendant's brief set forth, as supposedly pertinent to this controversy, two sections of the Trade Mark Law, neither of which is involved in the present case. One of the sections quoted by the defendant is Section 16, which provides only for certain special types of cases of infringement and then restricts the specific remedy of that section to "an action for damages" and to such actions only "when a verdict is rendered for the plaintiff", *i. e.*, jury cases. The second section quoted by the defendant is section 27, which deals with the Custom House Provisions of the Trade Mark Act. The present suit is not based upon either of these two sections but upon section 17 and section 19 of the Trade Mark Law, which are hereinabove quoted *in extenso*.

Under these two sections the District Court has full authority to administer any appropriate remedy for any violation of a registered trade mark no matter what form it may take.

*Defendant's third point* is the one that goes to the real merits of the controversy and which raises the question whether defendant may lawfully distribute in the markets of the United States face powder packed in boxes like the plaintiff's and bearing labels which are in every substantial respect identical with plaintiff's registered trade marks, merely because the defendant, for the source of supply of her competitive goods, has sought a foreign producer who, in his own country, had the right to use the same labels and trade marks, which said labels and trade marks, so far as the United States are concerned, had been fully and completely sold to the plaintiff, together with all the good will pertinent or incident thereto, more than ten years ago. With that point we have already fully dealt in the foregoing brief, and a continuation of the discussion would be merely repetition.

### **Conclusion.**

The original order of the District Court (p. 38) was right and should be reinstated. The majority Opinion of the Circuit Court of Appeals was erroneous and the order of that Court entered thereon (pp. 57-58) should be reversed.

Respectfully submitted,

HANS V. BRIESEN,  
Counsel for Petitioner.

FILED

JAN 15 1923

WM. P. STANLEY

# Supreme Court of the United States,

OCTOBER TERM 1922.

No. 190.

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A. BOURJOIS & CO., INC.,

*Petitioner,*

*against*

ANNA KATZEL,

*Respondent.*

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## BRIEF OF RESPONDENT.

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JOHN B. DOYLE,

*Of Counsel for Respondent.*

JOHN R. RAFTER,

*On the Brief.*

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# Supreme Court of the United States,

OCTOBER TERM, 1922.

No. 190.

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A. BOURJOIS & Co., INC.,  
Petitioner,

AGAINST

ANNA KATZEL,  
Respondent.

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## BRIEF ON BEHALF OF RESPONDENT.

### Statement.

In the District Court the defendant, respondent, was enjoined, *pendente lite*, from selling or trading in face powder, unless the output of the plaintiff, contained in boxes like "Exhibit H" attached to the plaintiff's, petitioner's, order to show cause, or from so dealing with face powder boxes labelled "Java" or marked with certain top, side and bottom labels, which were the subject of certain trademarks or registrations in the name of the petitioner and designated in said injunction order (pp. 38, 39). She appealed to the United States Court of Appeals for the Second Circuit, and the injunction order was reversed (pp. 57, 58). The reversal was by a divided court, Judges Ward and Manton concur-

ring, and Judge Hough dissenting (p. 50). Plaintiff's petition to certify the question involved to this Court, was denied by the Circuit Court of Appeals (pp. 56, 57). Plaintiff's petition for a writ of certiorari was granted by this Court (p. 59).

The opinion of the learned District Court, Judge Mayer, is printed in the record at pages 33-37; the majority opinion of the United States Circuit Court of Appeals is printed at pages 46-50; the dissenting opinion of Judge Hough is contained at pages 50-51, and the *per curiam* opinion of the Circuit Court of Appeals denying petition for certificate is found at pages 56-57 of the record. For greater convenience we have reprinted these opinions as an Appendix to this brief.

### **Facts.**

Stated chronologically:

In 1879, A. Bourjois & Cie of Paris, France, began to sell "Java" face powder in the United States (p. 2).

In 1888, A. Bourjois & Cie registered the trade-mark "Java" in the United States (p. 2).

In 1908, A. Bourjois & Cie registered its trade name "A. Bourjois & Cie" and monogram in the United States (p. 2).

In 1912, A. Bourjois & Cie registered the trade-mark "Poudre de Riz de Java" and the top and side label, appearing on Defendant's Exhibit I, in the United States (pp. 1, 20).

In 1913, it is alleged in the complaint, the plaintiff company was organized, took the name A. Bourjois & Co., Inc., and bought from A. Bourjois & Cie's successors its business of selling face powders in the United States. At the same time the plaintiff acquired by assignment the trade-mark rights

for the United States then and theretofore owned by A. Bourjois & Cie of Paris, France (p. 2). The defendant was unaware of this alleged assignment (p. 9), and the Circuit Court in its majority opinion commented on the fact that said instrument was not produced, but assumed that it was as broad as pleaded in the complaint (p. 46).

For many years prior to 1913 and the organization of the plaintiff and its acquisition of the business and trade-marks of A. Bourjois & Cie's successors in the United States, "Java" face powder was sold in France, and sold, dealt in and used in the United States, put up in packages in all respects the same as "Defendant's Exhibit I", called "Poudre de Riz de Java", which is complained of in this suit as the infringing package, designated "Exhibit H" in the complaint (pp. 20, 21, 22).

From 1913 to 1916, the plaintiff sold A. Bourjois & Cie's Java face powder in the United States under the trade-mark "Poudre de Riz de Java", and put up and labelled like Defendant's Exhibit III (p. 23). This is the same style package, except for the notation of domestic packing, that had previously been marketed in the United States by A. Bourjois & Cie of Paris, France, and has since been continually sold by the French manufacturer in France (pp. 19, 20). Since 1916 the plaintiff has discontinued the use of the words "Poudre de Riz de Java" on its top label and has substituted therefor the words "Poudre Java", the new package being like Plaintiff's "Exhibit A" and Defendant's "Exhibit II" (pp. 7, 23).

From 1913 on, the plaintiff continued the business so acquired, including the sale of face powder made by A. Bourjois & Cie of Paris, under the name of A. Bourjois & Co., Inc. (pp. 2, 3). Apart from the slight variation in the name, only one change

in the plaintiff's method of handling and marketing A. Bourjois & Cie's powder in the United States is apparent from the record. Instead of marketing its powder boxed, labelled, and packed by A. Bourjois & Cie in France, the plaintiff imports the same powder in bulk, packs it in the United States in boxes of American manufacture, which are the same in size, shape, and color as the original package, formerly and still put up by the French manufacturer, and offers it to the American public under labels of American manufacture which closely simulate the original French labels (pp. 7, 12, 24, 25). The plaintiff has at all times offered and still offers said face powders for sale in the United States as the product of A. Bourjois & Cie, of Paris, France. The new method of packing is indicated by the plaintiff by a marginal notation on the bottom label of plaintiff's boxes, said label being in all other respects the same as the French label (p. 7).

In 1920, the defendant, who is a registered pharmacist, wishing to import toilet preparations, bought through her agent in the open market in Paris, France, from two reputable dealers and on five different occasions, boxes of face powder like Defendant's Exhibit I (pp. 10, 11, 13-18, 19-20). The customs authorities permitted entry of said merchandise into the United States, because they were satisfied that said goods were the genuine articles manufactured, boxed, packed, and labelled by the French manufacturer, A. Bourjois & Cie of Paris (pp. 21, 22). The plaintiff does not seriously contend that defendant's boxes of face powder are spurious. As stated by the Customs Examiner, they are clearly genuine (fol. 124).

The plaintiff's basic contention below was and now is, that having acquired by purchase the busi-

ness, good will and trade-marks in the United States of the successors of A. Bourjois & Cie, and having re-registered said trade-marks in its own name in the United States, and having since its purchase exploited said business, good will and trade-marks at great expense, the defendant is not entitled to purchase in France and import into and re-sell in the United States the generally recognized and accepted genuine "Java" face powder manufactured and put up in the generally recognized genuine packages by A. Bourjois & Cie in France (pp. 2, 3, 4).

The exhibits in the case have been lodged with the Clerk of this Court.

### POINT I.

**No case was made out by the plaintiff entitling it to preliminary injunction.**

The injunction of the District Court was in plain violation of the familiar rule, repeatedly stated in trade-mark cases, that no preliminary injunction will be granted "except where the papers present a clear case."

*Moore v. Auwell*, 158 Fed. 462;

*Star Co. v. Colver Publishing House*, 141 Fed. 129;

*Tucker Mfg. Co. v. Boyington*, 24 Fed. Cases, No. 14,229;

*Oliver Typewriting Co. v. American Writing Machine Co.*, 146 Fed. 177;

*Anargyros & Co. v. Anargyros*, 167 Fed. 753;

*H. Mueller Mfg. Co. v. A. Y. McDonaly Co.*, 132 Fed. 585.

The papers submitted by the plaintiff show anything but a clear case. The affidavits contain assumptions and conclusions of fact, notably that since the plaintiff succeeded to the French firm's American distribution business in 1913, the public generally has come to regard "Java" face-powder, so-called, as the output of the plaintiff, when the very labels used by plaintiff, which are all the public have to go by, belie this assertion, "*Made in France. Packed in the U. S. A.*" cannot possibly carry to the American mind or imagination all or even a part of the many things claimed in plaintiff's bill and affidavits (pp. 1, 7, 8, 23, 32). Therefore, we have not here such an undisputed case on the facts as would warrant a decision on the merits. This point was raised in the Circuit Court, although its grounds of reversal went to the merits.

*Hanover Star Milling Co. vs. Metcalf*, 240  
U. S. 403, 408, and cases cited at 409.

In her answer the defendant denied plaintiff's chief allegation that she had imported goods into the United States in packages closely simulating plaintiff's packages and in infringement of plaintiff's registered trade-marks (pp. 3, 4, 9), and that her acts irreparably damaged the plaintiff (pp. 4, 9), and she further answered that prior to the incorporation of the plaintiff, in July, 1913, the face powder in question was imported into and marketed in the United States in packages of the same color and shape and bearing the identical marks as Exhibit I (pp. 9, 10).

The goods which she imported and proposed to offer for sale in the United States were bought through her husband from reputable dealers in the open market in Paris, France, between January and July, 1920, inclusive (pp. 9, 10, 11, 12, 19). The defendant's affidavit shows an utter absence of



fraudulent intent on her part in the purchase and importation of the goods. She conducts a small but financially responsible business of pharmacist in the City of New York, and the purchase and importation of Java powder in France for her account was in the regular course of a legitimate business, and but a small part of several commodities purchased from perfumery dealers in Paris. These purchases reflect the skill, energy and enterprise of an American shop-keeper availing herself of favorable market conditions abroad in the hope of reaping a fair margin of profit, after deducting the cost of travelling expenses and landing the goods in the United States (pp. 10, 11, 12, 13-18). The defendant further shows that the genuine Java powder in the genuine French package not only costs less than, but is naturally preferred by her customers to, the product packed in the United States (p. 13). The answering affidavits also present the fact that the application for temporary injunction in the Court below was only a renewal in another form of a protest or attempt which the plaintiff had made unsuccessfully to prevent the defendant's imports from obtaining entry into the United States through the United States Customs at the Port of New York (p. 12).

Indeed, it is undisputable that the goods imported by the defendant are the genuine "Poudre Java" or "Poudre de Riz de Java" manufactured and put up in the genuine, original packages by Bourjois & Cie of Paris, France. The learned District Judge so found (p. 34), and absolves the defendant and the French house of Bourjois from any bad faith in respect to the purchases and importations (p. 36).

Upon the papers before it, containing the foregoing evidence, it was not a proper exercise of its

equity powers for the District Court to put the defendant under the ban of a temporary injunction and thus predetermine the merits of questions of fact and of law admittedly of grave importance and affecting large business interests. Decision on the merits should have been reserved until the right of monopoly, which the plaintiff claims, had been thoroughly examined in the light of evidence subjected to cross-examination and adduced by both sides to establish the exact status of plaintiff's traffic in this commodity in the United States.

It its papers, in its arguments in the Courts below, and asserted, not once but often and in a variety of forms, in its brief before this Court, is the claim of the plaintiff that "Poudre Java" is known by the purchasing public in the United States as the commodity put upon the market by the plaintiff as distinguished from Bourjois & Cie of France. But against this contention is the patent fact that this commodity is and always has been manufactured in France, imported into the United States, and sold in packages of a uniform shape, size, color and labelling, except in one or two minor respects, which the average retail purchaser would not notice. Because there took place in 1913 a private transaction between the French Company and the plaintiff, a newly formed New York corporation of the same name, we are asked to believe that beyond any doubt the purchasing public took notice of this change of ownership in the American business of Bourjois and thenceforth associated the goods in the American market with the New York instead of the French Company. The plaintiff's Bill and affidavits, which seem to have been framed upon the lines of the opinion in *Hanover Star Milling Co. vs. Metcalf* (*supra*), assert but do not support such a conclusion, which alone was the basis of the temporary injunction.

## POINT II.

**The papers clearly disprove any violation of the Trade-Mark Law on the part of the defendant.**

There was no simulation or infringement by defendant under the Trade-Mark Law.

The application for injunction was addressed to the equity jurisdiction of the Court below on the Act of February 20th, 1905, as amended, known as the Trade-Mark Law. The residence of both parties in New York precludes the action from being one for unfair competition.

*Thaddeus Davids Co. v. The Davids Mfg. Co., 192 Fed. 915.*

Neither is it an action for breach of contract between the plaintiff and A. Bourjois & Cie of Paris, France, presumably entitling the plaintiff company to the exclusive sale of A. Bourjois & Cie's face powder in the United States.

In *Bourjois & Co. Inc. vs. Aldridge, Collector and Le Benart Co. Inc., No. 408* on the calendar of this Court, on a certification by the Circuit Court of Appeals for the Second Circuit, at page 1, it is stated that in assigning its American business and trade-marks the French concern did not covenant to abstain from further sales of its products in America. The defendant here is not in privity with the contracting parties. In making her purchases and importation, she knew nothing of the arrangements between the New York and French concerns of Bourjois (pp. 8, 9). She was not acting in concert with but independently of the French Bourjois & Cie.

The pertinent parts of the Trade-Mark Law are Sections 16, 19 and 27, as follows:

"Sec. 16. (*Registration prima facie evidence of ownership—punishment for infringement.*) That the registration of a trade-mark under the provisions of this Act shall be *prima facie* evidence of ownership. Any person who shall, without the consent of the owner thereof, reproduce, counterfeit, copy, or colorably imitate any such trade-mark and affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, or to labels, signs, prints, packages, wrappers, or receptacles intended to be used upon or in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration, and shall use, or shall have used, such reproduction, counterfeit, copy, or colorable imitation in commerce among the several States, or with a foreign nation, or with the Indian tribes, shall be liable to an action for damages therefor at the suit of the owner thereof; and whenever in any such action a verdict is rendered for the plaintiff, the court may enter judgment therein for any sum above the amount found by the verdict as the actual damages, according to the circumstances of the case, not exceeding three times the amount of such verdict, together with the costs. (33 Stat. L. 728.)"

"Sec. 19 (*Injunctions—Assessment of damages.*) That the several courts vested with jurisdiction of cases arising under the present Act shall have power to grant injunctions, according to the course and principles of equity, to prevent the violation of any right of the owner of a trade-mark registered under this Act, on such terms as the Court may deem reasonable; and upon a decree being rendered in any such case for wrongful use of a trade-mark the complainant shall be entitled to recover, in addition to the profits to be accounted for by

the defendant, the damages the complainant has sustained thereby, and the court shall assess the same or cause the same to be assessed under its direction. The court shall have the same power to increase such damages, in its discretion, as is given by section sixteen of this Act for increasing damages found by verdict in actions of law; and in assessing profits the plaintiff shall be required to prove defendant's sales only; defendant must prove all elements of cost which are claimed. (33 Stat. L. 729.)"

"Sec. 27 (*Importation of articles simulating domestic trade-marks, etc., forbidden—regulations*). That no article of imported merchandise which shall copy or simulate the name of any domestic manufacture, or manufacturer or trader, or of any manufacturer or trader located in any foreign country which, by treaty, convention, or law affords similar privileges to citizens of the United States, or which shall copy or simulate a trade-mark registered in accordance with the provisions of this Act, or shall bear a name or mark calculated to induce the public to believe that the article is manufactured in the United States, or that it is manufactured in any foreign country or locality other than the country or locality in which it is in fact manufactured, shall be admitted to entry at any custom-house of the United States; and, in order to aid the officers of the customs in enforcing this prohibition, any domestic manufacturer or trader, and any foreign manufacturer or trader, who is entitled under the provisions of a treaty, convention, declaration, or agreement between the United States and any foreign country to the advantages afforded by law to citizens of the United States in respect to trade-marks and commercial names, may require his name and residence, and the name of the locality in which his goods are manufactured, and a copy of the certificate of registration of his trade-mark, issued in accord-

ance with the provisions of this Act, to be recorded in books which shall be kept for this purpose in the Department of the Treasury, under such regulations as the Secretary of the Treasury shall prescribe, and may furnish to the Department facsimiles of his name, the name of the locality in which his goods are manufactured, or of his registered trade-mark; and thereupon the Secretary of the Treasury shall cause one or more copies of the same to be transmitted to each collector or other proper officer of customs. (33 Stat. L. 730.)"

The article complained of does not reproduce, counterfeit, copy, or colorably imitate any trade-mark registered under the Act as prohibited by Section 16. Neither does it "copy or simulate" such trade-mark as prohibited by Section 27. On the contrary, the defendant has proven beyond dispute that the article complained of (Defendant's Exhibit I) is the genuine article manufactured, boxed, and labelled by A. Bourjois & Cie of Paris, France, from whom the plaintiff's rights in the premises flow by succession in business, and by assignment of its trade-marks in the United States (pp. 9, 10, 11, 12, 13, 20, 21, 22). If there is any reproduction, copying, counterfeiting, colorable imitation, or simulation in this case, it is done by the plaintiff with respect to the French manufacturer's boxes and labels like those imported by the defendant (Defendant's Exhibit I).

To meet this defense the plaintiff in its affidavits emphasizes three points, viz :

**Use of plaintiff's name on boxes of face powder which it sells in the United States (pp. 24, 26, 27) ;**

**Difference between the face powder as imported by the plaintiff and as sold by the plaintiff (pp. 24, 25) ;**

**Difference between the terms "Poudre de Riz de Java" and "Poudre Java" (pp. 25, 26).**

We shall first reply briefly to these suggestions, and then revert to the real point at issue, that the sale of the genuine article is not an infringement of trade-mark.

**Use of plaintiff's name on boxes of face powder which it sells in the United States.**

The plaintiff's name is used on its boxes solely to indicate the fact that it *boxes* the powder in the United States. It appears in an inconspicuous place on the bottom label of the box and in such a manner as to escape the attention of all but the most scrutinizing of the buying public. As employed, it is coupled with the statement that the powder is "Made in France", and that the plaintiff is the successor of the French manufacturer (Plaintiff's Exhibit H, p. 4).

On the other hand, the French manufacturer's name is set out conspicuously and in various ways on the top and side of plaintiff's boxes in a manner to be plainly seen by the purchasing public. In other words, the plaintiff's boxes of powder are offered to the American public as the product of A. Bourjois & Cie of Paris, France, and not of the plaintiff. In fact, so far as the casual buying public is concerned, not merely the contents but the package as a whole is to all intents and purposes imported from France. The claim, therefore, which the plaintiff asserts and seeks to eke out by statements in its affidavits, that "Java" powder is recognized by the purchasing public as emanating from the plaintiff and not from Bourjois of France, is flatly contradicted by the visible evidence of the packages themselves in which the goods are offered

over the counter. Obviously, what the consumer asks and pays for is Bourjois' "Java" face powder *made* in France, not Bourjois' face powder *boxed* or *packed* in New York. Up to 1913 the consumer bought Bourjois' "Java" face powder made and boxed in France. That built the American business—the imported article, powder, box and all. It is a violent assumption to say that the American purchasing public transferred its patronage to the plaintiff in 1913. It continued to buy Bourjois' powder in the regulation French boxes and labels, and the fact that there was placed on the base of the box the marginal notation of American packing could only cast doubt, if anything, upon the genuineness of the continued importation. American boxes, made and labelled with labels in the French language printed in America, certainly do not inspire confidence.

**Difference between the face powder as imported by the plaintiff and as sold by the plaintiff.**

The plaintiff's statements about the frequent necessity of treating the face powder in the United States before the same is packed are far from enlightening. This treatment is variously referred to as "special handling", "sifting", "recoloring", "inspection and selection as to color adjustment", "making to correspond with plaintiff's standard fineness of texture", all of which leaves one in doubt as to just what plaintiff does to the powder (p. 24). None of these phases of treatment is mentioned on the box itself. The box itself is the only source of information to the public. When put to it by a question from the Bench of this Court upon the argument, plaintiff's counsel was forced to admit that these fine phases of treatment were kept to the



plaintiff's own knowledge. Indeed, after some hesitation, he also claimed that the ingredients of "Java" powder were mostly a secret. The claim that the public knows and acts upon the plaintiff's preparation for packing is gratuitous assertion, unsupported by proof.

If the plaintiff makes any substantial change in the powder before packing the same, either by mixture with other ingredients or otherwise, the resultant product is no longer the product of the French manufacturer. In such case, therefore, the plaintiff is misrepresenting its goods by offering them for sale under the French manufacturer's name and as made in France, and is entitled to no relief for alleged infringement of trade-mark.

To put forth a trade-mark attached to an article showing that it is manufactured in a particular place by a person whose manufacture there had acquired a great reputation, when, in fact, it is manufactured by a different person at a different place, is a fraud upon the public which no Court of Equity will countenance.

*Manhattan Medicine Co. v. Wood*, 108 U. S. 218.

When the owner of a trade-mark applies for an injunction to restrain any violation of his right, it is essential that he should not in his trade-mark, or in his advertisement and business be himself guilty of any false or misleading representation, and if he makes any material false statement in connection with the property which he seeks to protect he loses his right to claim the assistance of a Court of Equity.

*Channel Chemical Co. v. Hayden*, 222 Fed. 162.

If one, having right by succession to use a trade-mark, trade-name, label or other distinguishing mark in the conduct of his business, deliberately makes such use of it as is intended or calculated to deceive the purchasing public as to the origin, manufacture, or ownership of the goods in connection with which it is used, he is not entitled to relief in equity against persons infringing or wrongfully using such trade-mark, trade-name, label, or other distinguishing mark, to his detriment in connection with the sale of their own goods.

*Hazlett v. Pollack*, 195 Fed. 28.

Where a trade-mark is a mark of special qualities, due to superior material, processes, skill and care exercised by the originator thereof, an assignee of the business who continues to use labels which contain the false statement that the goods are prepared by the originator, is not entitled to relief against an infringer.

*Alaska Packers Assn. v. Alaska Imp. Co.*,  
60 Fed. 103.

Such is the rule, even though the resultant product as prepared by plaintiff is superior to the original French product.

*Krauss v. Peebles' Sons Co.*, 58 Fed. 585.

This leads to the inherent vice underlying plaintiff's persistent stand to exclude the French product put up in French boxes by invoking our Trade-Mark Law. It appears in the opinion of the District Court from which plaintiff's counsel quotes, at page 6 of his brief, as follows:

"Plaintiff, however, may buy its powder from any house and will obviously do a favorable business in connection with its trade-mark as

long as it satisfies the public; because one of the assets plaintiff has developed is the assurance to the public of the responsible character of any merchandise which appears upon the market on the plaintiff's trade-marks or in the 'get-up' of plaintiff's packages" (Judge Mayer's opinion, pp. 33-34).

As against this is the statement contained in the opinion of the Circuit Court of Appeals denying the petition for certificate of review.

"It is not doubted that an American citizen may buy the business of a foreigner in the United States, with its accompanying trade-marks, and having done so may subsequently change the character or quality of the goods at pleasure. But that is not this case. The owner of the Trade Mark can not change them and still assert that they are the actual goods manufactured by the foreigner and imported by him. Such a misrepresentation would deprive him of the protection of the law." (Opinion *per Curiam*, p. 56.)

If the plaintiff has altered the French product for the American market it has fooled the American public, because, by every letter and token on the box, our public has been led to believe that it was continuing to receive the simon pure French product. As it is, but for the notation on the bottom of the boxes "Packed in the U. S. A.", plaintiff would be guilty of misrepresentation.

*Coty v. Prestonettes, Inc.* (U. S. Dist. Ct., Southern District of N. Y.), New York Law Journal, July 5th, 1922. Front Page.

Before July, 1913, and for upwards of thirty-three years, the public bought the powder in the original boxes or packages imported from France,

which were identical in form and content with the boxes and powder that the defendant has imported. If plaintiff can exclude these boxes and contents on the ground that, having bought the American business, it can at pleasure discontinue importation of the French product, even in bulk, it will have legal sanction to market powder made in America, put up in boxes made in America, and labelled with labels in French printed in America. The hoax will then be complete.

Where the public or public policy is concerned, this Court does not wait until the public has been overreached. It strikes down the transaction the moment its evil tendency develops at any stage.

*Oscanyan vs. Arms Co.*, 123 U. S. 261;

*Sage vs. Hampe*, 235 U. S. 105;

*Crocker vs. U. S.*, 240 U. S. 79;

*Sampliner vs. Motion Picture Patents Co.*,

*C. C. A. 2nd Circuit*, 255 Fed. 242,  
p. 252.

We suspect, however, that the treatment alluded to by the plaintiff does not work any substantial change in the imported powder. It is probably required owing to the fact that plaintiff's powder is imported in bulk and not in small sealed packages, such as are imported by the defendant. Powder imported in bulk from France is naturally more exposed to the elements than that imported in sealed packages. It may absorb foreign matter from the bag or other container in which it is transported, thereby requiring sifting on importation. Heat or moisture may cause deterioration of powder in bulk calling for remedy on importation. In other words, as imported, the defendant's powder is properly protected for transportation, while the plaintiff's powder is not.

**Difference between the terms "Poudre de Riz de Java" and "Poudre Java".**

In its reply affidavits the plaintiff dwells on the difference between the terms "Poudre de Riz de Java" and "Poudre Java". It gives a literal translation of "Poudre de Riz" as rice powder. It asserts that "rice powder is an undesirable ingredient of face powders", and that "there is no rice powder in the product which the plaintiff markets under the Java trade-mark", and that "the plaintiff's labels do not contain any statement that the contents is Poudre de Riz but state that the contents is Poudre Java". Then follows a discussion of the harmful effects of "rice powder" (pp. 24, 25).

In these statements the plaintiff is not candid. If intended to imply that the defendant's powder is rice powder and that it is different from the plaintiff's powder, it was an easy matter to state so directly and specifically. The plaintiff, however, has carefully refrained from making such statement. It may be that "Poudre de Riz" literally translated means "powder of rice, or rice powder", but, as used commercially by the French manufacturer, A. Bourjois & Cie, in connection with its face powder its significance may be different. If the inference to be drawn from the plaintiff's statement are correct, then the plaintiff itself from 1913 to 1916 was marketing in the United States rice powder injurious to the public under the label "Poudre de Riz" (p. 23). Yet nowhere in the papers is there any indication of a change in the kind or quality of the face powder marketed in the United States by the French manufacturer from 1879 to 1913 under the labels "Poudre Java" and "Poudre de Riz de Java", or in the kind or quality

of the powder marketed in the United States by the plaintiff company from 1913 to date, formerly under the label "Poudre de Riz de Java", and lately under the label "Poudre Java".

In

*Wertheimer et al. v. Batcheller Importing Co.*, 185 Fed. 850,

Judge Lacombe upheld the trade-mark in "Poudre de Riz de Java" of plaintiff's predecessor in interest on the ground that it was a fanciful name, not a representation of powder made from rice grown on the Island of Java.

See also:

*Scandinavia Belting Co. v. Asbestos & Rubber Works*, 257 Fed. 937, at p. 948.

The plaintiff, therefore, cannot blow hot and blow cold on the matter of rice as an ingredient of "Java" face powder.

In any event, the defendant is confident of the similarity between the powder which she has imported into the United States and that being sold by the plaintiff in the United States. In the Court below the defendant stated that if the point was material she was content to have both powders submitted to analysis or to have their identity established in any reasonable manner.

### POINT III.

**The sale in the United States of the genuine article manufactured, boxed, and labelled by A. Bourjois & Cie of Paris, France, does not constitute an infringement of plaintiff's trade-mark.**

The defendant has clearly established the genuineness of the article complained of. Nor is its genuineness seriously disputed by the plaintiff. In the papers on this motion there is no direct statement by the plaintiff on that point.

The learned District Judge says of this genuineness:

"Defendant's trade mark is genuine in the sense that it was not spurious at the place of origin and that no change has been made since it was sold; but, it is genuine as matter of law only if defendant has the right to sell within the territory where plaintiff is the exclusive owner of the trade mark, and under the doctrine of the *Hanover Star Milling Company* case, *supra*, where also plaintiff has established the business in the product in connection with the trade mark" (p. 35).

Does the Trade-Mark Law preclude a sale of the genuine article, not only manufactured abroad, but put up and labelled by the manufacturer thereof, in competition with the same goods made by the same manufacturer, but put up and labelled in the United States—the latter being sold under the name of and as the product of the French manufacturer?

The test of infringement of trade-mark is whether or not the article complained of is likely to deceive the public.

"The essence of the wrong consists in the sale of the goods of one manufacturer or vendor for those of another."

*Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403 at page 413.

"And the power of the Court in such cases (trade-mark) is exercised not only to do individual justice, but to safeguard the interests of the public by preventing one's passing off his goods as the goods of another."

*Scandinavia Belting Co. v. Asbestos & Rubber Works*, 257 Fed. 937, at p. 941;  
*Singer Mfg. Co. v. June Mfg. Co.*, 163 U. S. 169;

*Coats vs. Merrick Thread Co.*, 149 U. S. 562;

*Lawrence Mfg. Co. v. Tennessee Mfg. Co.*, 138 U. S. 537;

*DeVote Snuff Co. v. Wolff*, 206 Fed. 420.

Both the plaintiff and the defendant are selling the face powder in question as the product of A. Bourjois & Cie, of Paris, France. The defendant has bought and imported the powder not in bulk, but in the packages with which it has become associated in the public mind for many years both here and abroad.

**Authorities relied on by the Circuit Court of Appeals.**

The above mentioned principle and authorities are the basis on which a proper disposition of this case rests. They lie back of the following decisions



directly in point, which we maintain are controlling in favor of the defendant. These decisions are discussed at some length in the prevailing opinion of the Circuit Court reversing the order for injunction and in the Opinion *Per Curiam* denying petition for certificate (pp. 47-50, 57). The plaintiff has sought to distinguish these cases, but unsuccessfully.

In

*Appollinaris Co., Ltd., v. Scherer*, 27 Fed.  
18,

the Company acquired the sole right to export "Hunyadi Janos" waters from Hungary to Great Britain and America and sell them in those countries and the sole use of the trade-mark "Hunyadi Janos". It registered the name as a trade-mark in the Patent Office of the United States. *Scherer*, the defendant, bought the genuine water in Europe, imported it to the United States, and sold it under the same label as the Appollinaris Company's with one immaterial variation. This was held not to be an infringement of the Company's rights. At page 20, Judge Wallace said:

"But the defendant is selling the genuine water, and therefore the trade mark is not infringed. There is no exclusive right to the use of a name or symbol or emblematic device except to denote the authenticity of the article with which it has become identified by association. The name has no office except to vouch for the genuineness of the thing which it distinguishes from all counterfeits, and until it is sought to be used as a false token to denote that the product or commodity to which it is applied is the product or commodity which it properly authenticates, the law of trade-mark cannot be invoked."

In

*Russia Cement Co. v. Frauenhauer*, 133  
Fed. 518,

the defendant bought the complainant's glue in barrels and then bottled it with a label describing it as the complainant's glue bottled by the defendant. This was held to be fair competition.

In

*Gretsch v. Schoening*, 238 Fed. 780,

the question again came before this Court and was raised squarely under the present Trade-Mark Law.

*Gretsch* purchased a package of *Mueller's* genuine "Eternelle" violin strings in Germany. They were consigned to him for entry through the Port of New York. The Collector of the Port there refused them entry upon the ground that their importation was a violation of Section 27 of the Trade-Mark Law above quoted. *Schoening* had the exclusive agency for the sale of *Mueller's* strings in the United States, had registered the word "Eternelle" as a trade-mark belonging to him in the United States Patent Office, and had filed the registration with the Department of the Treasury.

In the District Court the right of *Schoening* to register and claim ownership of the trade-mark was assailed, but Judge Hough (6 T. M. Rep. 224) held the registration valid on the ground that *Mueller* had carved out of his business a portion, viz., the American monopoly, and had given it to *Schoening*. He held, however, that there was no infringement under the Trade-Mark Law of *Schoening's* registration, because the goods brought from Germany were the genuine article.

This decision was upheld by the Circuit Court of Appeals, assuming that *Schoening* had a valid trade-mark, and basing its affirmance upon the rea-

soning in the cases of *Appollinaris Co., Ltd., v. Scherer*, and *Russia Cement Co. v. Frauenhauer* (*supra*), as well as upon the provisions of the Trade-Mark Law. Referring to them it said through Ward, J.:

"The rationale of both decisions is that the defendant in each case was selling the genuine article identified by the trade mark and the public was not misled, but was getting exactly what it paid for. These decisions, however, were made before the Act in question was passed. Assuming that Congress could protect the owner of a registered trade mark against importation by third parties of the genuine article under that trade-mark, has it done so? We think not. The act prohibits the entry of imported merchandise which shall 'copy or simulate' a trade-mark registered under it. The obvious purpose is to protect the public and to prevent any one from importing goods identified by their registered trade-mark, which are not genuine.

In this case, however, the imported goods were the genuine article identified by the trade-mark. We assume that Schoening has a valid trade-mark, even if he does not manufacture the strings, *Menendez v. Holt*, 128 U. S. 514, 9 Sup. Ct. 143, 32 L. Ed. 526, applying to the whole of the United States, and still are of the opinion that it is not infringed by one who buys in Germany the genuine article identified by the trade-mark, imports it into the United States, and sells it so marked here."

These cases are not susceptible of distinction from the case at bar. The *Gretsch* case decided that even though *Mueller* had turned over to *Schoening* his American business entitling him to its emoluments and its exclusive trade-mark rights in the United States, *Schoening*, nevertheless, could not complain of any one who brought in *Mueller's* genuine goods bearing the genuine trade-mark from

Germany and sold them in the United States. This is exactly the situation in the present case. As it was assumed in the *Gretsch* case that *Schoening* had a valid trade-mark in the United States, it may be assumed in this case that the plaintiff's registrations of trade-mark are valid; but that should not prevent the defendant from importing and selling the genuine face powder of Bourjois genuinely marked, to the American public. This action is brought for an infringement and violation of the Trade-Mark Law, and there can be no wrong predicated upon defendant's acts unless she is perpetrating a deception upon the purchasing public in the United States, and this is just what she is not doing. It is not a question of the defendant acting through or in concert with Bourjois of France, seeking to violate the terms of the transfer to the plaintiff of the American business from the French concern. She is a stranger to Bourjois, both of France and of the United States. She buys her goods when and where she pleases upon the best terms obtainable. If she were acting with Bourjois of Paris to defeat the terms of the transfer of the American business about which she knew nothing when she made the purchases in question, that might be a subject for equitable cognizance in a proper case, as pointed out by Judge Wallace in the *Appollinaris* case. But as for "reproducing", "counterfeiting", "copying", "colorably imitating" or "simulating" any trade-mark of the plaintiff, the defendant is absolutely innocent, and within her rights when, as stated by Judge Ward in the *Gretsch* case, she buys abroad "the genuine article identified by the trade-mark, imports it into the United States, and sells it so marked here".

For perhaps a simpler reason the attempted distinction of the *Gretsch* case is untenable. *Schoen-*

ing, just as *Appollinaris Co., Ltd.*, had secured a valid trade-mark in the United States, by assignment or purchase from the European originator. His right thereto was as absolute as the plaintiff's in this case. Consequently, it makes no difference what the plaintiff claims to have done in the way of exploiting the business since its acquisition; a consideration quite apart from the obvious fact that the American market for Bourjois' Java powder was developed through a succession of years long before the plaintiff was organized and bought out the French concern in the United States.

#### POINT IV.

**The terms "origin", "genuine", "counterfeit" and the new law.**

In their opinions the learned District Court, and Judge Hough dissenting in the Circuit Court, fell into a disagreement from the majority of the Circuit Court through a difference of terminology. Judge Mayer said :

"Defendant's trade mark is genuine in the sense that it was not spurious at the place of origin, and that no change has been made since it was sold" (p. 35).

Judge Hough, on the other hand, differed on the meaning and place of "origin" in this case (p. 50). With him the general article originated in the United States, not France. The plaintiff also falls into woeful error in the use of the word "counterfeit". It says that a Mexican dollar is a dollar in its own country, but it is not a dollar in the United States. The defendant's simple contention is that a Mexican dollar is a *Mexican* dollar not

only in Mexico but in the United States and any other part of the world. The plaintiff begs the question when it says that the imported Bourjois face powder in the Bourjois box in the form used since 1879 is a spurious article anywhere. It is submitted that the average consumer could not be made to believe such a thing but would only believe that the French box is symbolic of the genuine French article. What has been genuine for thirty-three years cannot become counterfeit over night. What had its origin in France some time prior to 1880 cannot be said to have its origin in New York by the scratch of a pen in 1913.

If, therefore, the plaintiff was injured by the importation of the genuine French article under a depreciated foreign exchange, which resulted in such article being sold for less than the plaintiff's in the American market, the plaintiff's remedy was against the French house of Bourjois and/or any one acting in collusion with the French house to emasculate the benefits of the assignment of the American business and trade-marks in 1913. As a matter of fact, that assignment did not contain a covenant by the assignor to abstain from further sales of its product in the United States (*Certificate, A. Bourjois & Co., Inc., vs. Aldridge, Collector, and Le Benart Import Co., Inc., No. 408, on the October, 1922, Calendar of this Court, p. 1*). But against this defendant, acting in good faith, without any knowledge of said assignment, going into the French market to buy the genuine French article and sell it in the United States, the plaintiff has no valid complaint. The plaintiff by a suitable covenant for penalty or damages should have protected itself against the French house of Bourjois selling its products so that they could be exported to the United States.

Since this action was begun, and the present writ of certiorari granted, there was included in the Tariff Act of 1922, which became a law on September 20th, 1922, a provision to cover the exact situation in the case at bar. In enacting this the Congress apparently recognized that without such amendment it was and would be perfectly lawful to import and sell in this country merchandise of foreign manufacture bearing a trade-mark owned and registered by a citizen of the United States; and even though the present order appealed from be affirmed or the appeal be dismissed, it may be urged that the defendant now falls under the ban of this provision of the Tariff Act. If this be so, the present appeal presents but a moot question.

The provisions under the Tariff Act referred to are as follows (p. 131) :

"Sec. 526. (a) That it shall be unlawful to import into the United States any merchandise of foreign manufacture if such merchandise, or the label, sign, print, package, wrapper, or receptacle, bears a trade-mark owned by a citizen of, or by a corporation or association created or organized within, the United States, and registered in the Patent Office by a person domiciled in the United States, under the provisions of the Act entitled 'An Act to authorize the registration of trade-marks used in commerce with foreign nations or among the several States or with Indian tribes, and to protect the same', approved February 20, 1905, as amended, if a copy of the certificate of registration of such trade-mark is filed with the Secretary of the Treasury, in the manner provided in section 27 of such Act, and unless written consent of the owner of such trade-mark is produced at the time of making entry.

(b) Any such merchandise imported into the United States in violation of the provisions of this section shall be subject to seizure and forfeiture for violation of the customs laws."

**CONCLUSION.**

**The order of the Circuit Court of Appeals should be affirmed or the appeal dismissed.**

Respectfully submitted,

JOHN B. DOYLE,

Counsel for Respondent.

JOHN R. RAFTER,  
On the Brief.



**APPENDIX.****Opinion of Mayer, District Judge.**

MAYER, *District Judge*:

The plaintiff, a New York corporation, is the exclusive owner of certain registered trade-marks for face powder, these trade-marks consisting of the word "Java", and the various labels, which are carried by plaintiff's boxes and serve to identify them as plaintiff's products. Defendant's boxes, as will appear *infra*, are, with two differences, exact duplicates of plaintiff's boxes.

In 1912, the firm of E. Wertheimer & Cie, of France, successors of A. Bourjois & Cie, also of France, had established in the United States the business in Java face powder in boxes and under labels substantially the same as those in controversy. The trade-mark "Java" was considered and favorably recognized in *Wertheimer et al. v. Batcheller Importing Co.*, 185 F. R. 850. The plaintiff corporation was organized in 1913, and for a consideration, involving *inter alia* the obligation to pay \$400,000, bought the entire business then and theretofore carried on by A. Bourjois & Cie, E. Wertheimer & Cie, Successeurs, in the United States, viz.: The entire good will of said business in the United States and any and all trade-marks, trade names and trade-mark rights relating thereto in the United States and also the sole and exclusive right to manufacture and sell in the United States any and all toilet preparations then or theretofore made by the French concern. This transfer of trade-marks included the transfer of the registered trade mark "Java", the top and other labels of the boxes; and all of the trade-marks which the plain-

tiff has subsequently used were reregistered. Thus, all of these trade-marks and labels are, so far as the United States is concerned, exclusively the property of the plaintiff. It appears from the papers that during the time plaintiff has been in this business, it has expended substantial sums of money for advertising and in brief, by reason of its business methods, it has succeeded in creating a wide market in the United States for its products and the boxes of face powder here under consideration are associated in the public mind with the plaintiff corporation. In other words, it appears that plaintiff has built up not only an extensive and important business, but also an excellent business reputation for the character of its goods and that the plaintiff depends in greatest measure upon its trade-marks to prevent invasion of its rights.

Plaintiff, apparently from its inception, has bought and is continuing to buy the powder in bulk from the French firm, A. Bourjois & Cie, and then puts up this powder in the boxes containing the trade-mark inscriptions. Plaintiff, however, may buy its powder from any house and will obviously do a favorable business in connection with its trade-marks, as long as it satisfies the public; because one of the assets of plaintiff has developed is the assurance to the public of the responsible character of any merchandise which appears upon the market under plaintiff's trade-marks or in the "get-up" of plaintiff's packages. Two outstanding features of plaintiff's package are the words "Poudre Java" and "A. Bourjois & Cie".

On the argument of the motion, certain papers were inspected by the Court which fully satisfied the Court that the box or package of defendant was the genuine box or package of the French firm of

A. Bourjois & Cie, and that defendant had bought abroad the face powder contained in the genuine boxes or packages put up by the French firm. These boxes or packages, the product of A. Bourjois & Cie, in France, were imported by defendant into this country.

The two differences referred to, *supra*, were as follows: (1) At the beginning of its business, plaintiff New York corporation put the product out under the name of "Poudre de Riz de Java". As rice is regarded as a deleterious ingredient for face powder, plaintiff dropped the words "de riz" and adopted the words "Poudre Java". Under this latter name, plaintiff has marketed its goods for about four years last past. An inspection of plaintiff's and defendant's boxes would at once show that this difference is slight and that the ordinary purchaser would not stop to distinguish between the boxes and, if defendant's box were a counterfeit or imitation, a Court of Equity would at once issue its injunction. In addition, if the plaintiff is right as to the undesirable nature of a rice ingredient, a label containing the words "de riz" might unfavorably affect the sale of plaintiff's product, if the purchaser associated the package with plaintiff.

(2) The second difference is that on the back of plaintiff's box or package are the following words: "Trade Marks Reg. U. S. Pat. Off. Made in France—packed in the U. S. A. by A. Bourjois & Co., Inc., of New York, Succ'rs in the U. S. to A. Bourjois & Cie and E. Wertheimer & Cie." These words are so situated and so printed as fairly to come to the attention of the purchaser and one of affiants, who has sworn that this package is regarded by the

public as plaintiff's product, is the buyer in the perfumery department of the large establishment known as B. Altman & Co.

As the defendant's box or package is manufactured and sold in France, the words just quoted do not appear upon it. It is urged by defendant that plaintiff's product is a misrepresentation and in the nature of a fraud upon the public in that it gives the impression that it is manufactured and put up in the original packages in France; but opposed to this argument are the affidavits submitted by plaintiff which are convincing upon the point that the boxes are identified by the public as plaintiff's product, and further, as appears, *supra*, plaintiff has been careful to state upon its box or package that while the product is made in France it is packed in this country by the American firm as successors in the United States to A. Bourjois & Cie and E. Wertheimer & Cie.

There remains for consideration, then, the important question in the case, which seems to be one of first impression, and that is whether because defendant's box is a genuine article made and sold by the French concern it can be said to constitute an infringement of the trade-marks of plaintiff, when plaintiff is the exclusive owner of these trade-marks in the United States.

In approaching the subject, it must be remembered that "the right of property in trade marks has come to be recognized as of immense and incalculable value" and that the "proprietor of a trade-mark by virtue of the manufacture or offering for sale of his goods is entitled to the protection which the highest powers of the court can afford."

*Scandinavia Belting Co. v. Asbestos & Rubber Works*, 257 F. R. 937.

In *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403, the Court in discussing common law trade-marks points out that redress is based upon the party's right to be protected in the good will of the trade or business; and the English rule that a trade-mark is not the subject of property, except in connecting with an existing business, prevails generally in this country. In *Scandinavia Belting Co. v. Asbestos & Rubber Works*, *supra*, the Court held that the owner of a registered trade-mark can restrain its use by another though no loss of sales is shown and though there may be no fraud between the original seller and buyer of the infringing article.

This is but another way of saying that where a trade-mark is used in connection with the business of a merchant and the product sells on the strength of the trade-mark and because it is associated in the public mind with the plaintiff's product, such a trade-mark is entitled to the strongest protection at the hands of the proper court.

Defendant's trade-mark is genuine in the sense that it was not spurious at the place of origin and that no change has been made since it was sold; but, it is genuine as matter of law only if defendant has the right to sell within the territory where plaintiff is the exclusive owner of the trade-mark and under the doctrine of the *Hanover Star Milling Company* case, *supra*, where, also, plaintiff has established the business in the product in connection with the trade-mark.

The case at bar is obviously stronger than that considered in the *Hanover Star Milling Company* case. In the case at bar, plaintiff has expended a large sum for the acquisition of the trade-mark title and rights, and a large sum for the advertisement of its business. Plaintiff had corralled the American market before defendant's boxes were brought

into the American market. If, now, the original French boxes or packages can lawfully be permitted to compete with plaintiff's boxes or packages, it can be readily seen that plaintiff's business may be destroyed, and, in any event, impaired. The question, on its face, is one involving business interests in a large way. If an American business concern buys all of the rights, as in the case at bar, of a business established here by a foreign concern and then the foreign concern is nevertheless at liberty to compete with the American concern, the result will be that the purchase of rights, under such circumstances, will give little or no protection; and the foreign concern as well as the domestic concern will be seriously injured in the long run, because American capital certainly will not be invested and foreign concerns will find it difficult to sell the rights which they have developed in this country.

It should be said in justice to A. Bourjois & Cie of France that there is nothing in the record which justifies the conclusion that this competition has been undertaken with their knowledge or consent, and it should be said in justice to defendant that thus far defendant has relied upon what she regards as her legal rights. The question is one of law which calls for definite and prompt settlement.

In support of the position of defendant, the case of *Fred Gretsch Mfg. Co. v. Schoening et al.*, 238 F. R. 780, is cited. That case involved a construction of Section 27 of the Act of February 20, 1905. That section was in the nature of a Customs Regulation to prevent the American public from being deceived by simulated names. In other words, simulated trade-marks were to be excluded from importation, so as to safeguard the American public; but there is nothing in that section which was intended to or purported to pass upon the question

as to whether any given trade-mark was valid as matter of law as between contending parties. Under Section 27, the Customs authorities may only exclude an article "of imported merchandise which shall copy or simulate the name of any domestic manufacture \* \* \*". Thus, if an article is genuine, in the sense of defendant's box, it may be imported into this country and cannot be stopped at the door of the Custom House; but, whether or not the article may be marketed here under a particular trade-mark is a question to be determined in ascertaining the rights of parties, quite irrespective of Section 27 of the Act of February 20, 1905. Section 27 concerns the action of the Government through its proper officials in carrying out the safeguarding measures erected by the Congress. The case at bar concerns the rights of private parties and these rights depend upon rules of law in respect of which Section 27 is wholly irrelevant.

In the *Gretsch* case, the question here presented did not arise. There was no situation, such as this, where the original owner of the business and its trade-marks had completely parted therewith to a vendee who had proceeded upon the strength of his ownership to develop an American market.

For the reasons thus outlined, I am of the opinion that plaintiff is entitled to the exclusion of defendant's boxes from this market and the motion for a preliminary injunction is, therefore, granted.

December , 1920.

JULIUS M. MAYER,  
District Judge.

#### ADDENDUM.

Under the Clayton Act it will be necessary for plaintiff to give security. This amount will be fixed upon the settlement of the order. On the other hand, as the question is novel and defendant is a

small dealer and, as the Court gathered on the argument that the plaintiff was more concerned with a settlement of the question of law than it was with the sale of the small amount of merchandise in defendant's possession, the injunction will be suspended on defendant's giving security on appeal in a nominal amount, and provided also that if defendant intends to appeal, she shall do so promptly.

Submit order on two days' notice.

J. M. M.,  
D. J.

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**Prevailing Opinion of United States  
Circuit Court of Appeals. Ward,  
Circuit Judge.**

*WARD, Circuit Judge:* In July, 1913, the plaintiff, a corporation of the State of New York, bought the business and good will in the United States of A. Bourjois & Cie., E. Wertheimer & Cie, Successeurs, a French firm which had since 1879 sold in the United States a face powder manufactured by it in France described as "Java". The French firm registered in the United States Patent Office the trade-mark "Java" in 1888, the trade-mark "A. Bourjois & Cie." in 1908 and the word "Java" on the top and side of its box in 1912. The plaintiff in 1916, 1918 and 1919 registered three other trade-marks used by the French firm for face powder. Under all these trade-marks the plaintiff imports in bulk the face powder manufactured by the French firm and packs and sells it here in boxes.

The defendant conducts a retail pharmacy in New York City and sells in New York, New Jersey and other states the same genuine face powder manufactured by the French firm imported by her



in its original boxes on which are printed its trade-marks and labels. The only difference between the trade-mark and labels of A. Bourjois & Company, Inc. and A. Bourjois & Cie., E. Wertheimer & Cie, Successeurs, is that the powder sold by the defendant is called Poudre de Riz de Java, as the plaintiff called it until 1916, when it altered the name to Poudre Java, and that on the bottom of the plaintiff's boxes is printed "Trade-Mark Reg. U. S. Pat. Off. Made in France—Packed in the U. S. A. by A. Bourjois & Co., Inc., of N. Y., Succ'rs in the U. S. to A. Bourjois & Cie. and E. Wertheimer & Cie."

The plaintiff filed this bill on the ground of infringement of its registered trade-marks, praying that the defendant be enjoined both provisionally and finally from selling the French firm's face powder under the trade-mark "Java" or the trade-mark "Bourjois" or under any of the plaintiff's registered trade-marks and for an accounting.

The District Judge granted the motion for a preliminary injunction and the defendant appeals from that order.

It is to be noticed in the first place that the residence and citizenship of both parties being in the State of New York no question of unfair competition is involved and indeed there is no evidence of any such competition.

The assignment from A. Bourjois & Cie., A. Wertheimer & Cie., Successeurs, to A. Bourjois & Company, Inc. is not produced but we assume for the purposes of this case that the plaintiff is entitled to the French firm's trade-marks under *Menendez v. Holt*, 128 U. S. 514, and *Wertheimer v. Batcheller*, 185 F. R. 850, and that it would be a breach of the French firm's obligations to sell its

face powder in this country, *Le Page v. Russian Cement Co.*, 51 F. R. 941.

We set on one side all authorities cited by the plaintiff arising out of sales under the same trade-marks of two different competitive articles manufactured by different persons, such as *Hanover Milling Co. v. Metcalf*, 240 U. S. 403; *Scandinavia Co. v. Asbestos Co.*, 257 F. R. 934, because it is quite clear that the defendant could not sell face powder manufactured by her or by any other person than A. Bourjois & Cie. under these trade-marks. But the article sold by the plaintiff and covered by its registered trade-marks is the face powder actually manufactured by the French firm, imported in bulk and packed here by the plaintiff, which is the precise article imported by the defendant in the French firm's original boxes and sold here. The question is whether the defendant has not the right to sell this article under the trade-marks which truly indicate its origin. We think she has. The question has been so decided in three cases in this circuit, *Apollinaris Co. v. Scherer*, 27 F. R. 18; *Russian Cement Co. v. Frauenhar*, 133 F. R. 518, and *Gretsch v. Schoening*, 238 F. R. 780.

In the *Apollinaris* case Saxlehner, owner of the Hunyadi Janos spring in Hungary, gave to the Apollinaris Company the exclusive right to sell the water under the trade-mark "Hunyadi Janos" in Great Britain and the United States. The Apollinaris Company registered the name and the label as trade-marks in the United States Patent Office. Scherer applied to Saxlehner to sell him the water for importation into the United States, which Saxlehner refused to do, telling him of the Apollinaris Company's exclusive rights. Thereafter Scherer purchased the water from other par-

ties in Germany, imported it into the United States and sold it under the name Hunyadi Janos and with the same label as the Apollinaris Company's with one immaterial variation. Judge Wallace said:

"The complainant established an agency for the sale of the water in this country, but, as it now asserts, is unable to maintain its own prices for the article because the defendant purchases the water in Germany from persons to whom it has been sold by Saxlehner, imports it, and sells it here at lower prices. It is shown that the defendant purchases the water in bottles under the label adopted by Saxlehner containing the cautionary notice, and that he does this after having applied to Saxlehner to sell him the water and been refused and informed by Saxlehner of the complainant's rights.

The bill of complaint proceeds in part upon the theory that the defendant is infringing the complainant's trade-mark in the name and label applied to the water, but all the averments in this behalf may be disregarded as irrelevant to the real question in the case. No doubt is entertained that the name when applied to the water is a valid trade-mark, and that the complainant should be protected against the unauthorized use of the trade-mark by another. The complainant would be entitled to this protection entirely irrespective of the registration of its trade-mark in the patent office. The same observations apply to the use of the label. The complainant has a common-law right to the name and the label as a trade-mark by which its mineral waters are identified; and as the necessary diversity of citizenship exists between the parties to confer jurisdiction upon this court, the only effect of registration is to afford and perpetuate the evidence of the complainant's title. But the defendant is selling the genuine water, and therefore the trade-mark is not infringed.

There is no exclusive right to the use of a name or symbol or emblematic device except to denote the authenticity of the article with which it has become identified by association. The name has no office except to vouch for the genuineness of the thing which it distinguishes from all counterfeits; and until it is sought to be used as a false token to denote that the product or commodity to which it is applied is the product or commodity which it properly authenticates, the law of trade-mark cannot be invoked.

The real question in the case is whether the defendant is unlawfully interfering with any exclusive right of the complainant to control the sale of the water in the territory ceded to the complainant for that purpose by Saxlehner. It is manifest that the acts of the defendant tend to deprive the complainant of the substantial advantages which it expected to obtain from the privilege transferred to it by Saxlehner. It can no longer maintain its own prices for the mineral water, or hold out the inducements it formerly could to the agents it has selected to introduce the article to the patronage of the public, and build up a trade. It can no longer protect itself as efficiently against the chances of a spurious article being palmed off upon the public as its own. It is therefore measurably deprived by the acts of the defendant of the profits and benefits which it contemplated when it purchased from Saxlehner the exclusive right of importing the water into this country and selling it here. If the complainant could acquire an exclusive right to sell the water here the case would be plain. If it could not, it still remains to consider whether the defendant has violated any duty which the law recognizes in his relations to the transaction. There would seem to be no doubt that the agreement between Saxlehner and the complainant was a valid one. He had the right to dispose of his property in

the product of his spring as he saw fit, and it is not apparent how the transfer of a part of his exclusive right to vend the water, by which a territorial division in its enjoyment was created, can be deemed obnoxious to any principle of public policy as tending to create a monopoly or an unlawful restraint of trade. If Saxlehner were now endeavoring to compete with the complainant in the sale of the water in the ceded territory, his conduct would furnish a ground for equitable jurisdiction and the remedy of an injunction because of the inadequacy of a remedy at law, Bisp. Eq. 463. It is equally clear that if the defendant were co-operating with Saxlehner collusively to violate the complainant's right to the exclusive sale of the water he also would be restrained. In such a case the foundation of equitable redress would be the breach of covenant on the part of Saxlehner, and the defendant when acting in aid would be identified with Saxlehner and amenable to the remedy as though he were Saxlehner himself. But it is important to bear in mind that the case would be one for equitable cognizance, and the remedy of an injunction merely upon the ground that the complainant's damages arising from the breach of covenant could not be reparably redressed at law."

In the *Le Page* case the defendant bought in bulk of third parties glue made and sold by the plaintiff under the trade name of Le Page's Glue and bottled and sold it under that name. We said:

"Counsel for complainant argues that defendants should be enjoined from applying the name 'Le Page' to a glue made by complainant, which is inferior to the most expensive brands sold by complainant under that name, on the ground that this is a gross fraud and an imposition upon the public. How such conduct constitutes a fraud upon the public does not

appear from the evidence. The labels on defendants' bottles contain no statement as to whether the glue put up by it is either of a superior or inferior quality, but merely that this glue is manufactured by complainant and is bottled by defendants, and that 'this glue is known all over the world as the best for cementing wood, leather, glass', etc. If the public gets an inferior quality of glue when it purchases that bottled by defendants, it is because the complainant has seen fit to sell such glue under the same trade-name as it had applied to a superior article, and has chosen thus to reap the profit from the sale to the public of two qualities or grades of the same article under the same trade-name. A court of equity will not enjoin a person from affixing to goods sold by him their true name and description, in the absence of any evidence of an attempted fraud, such as by representing his goods as of a different origin or quality or manufacture from what they actually are. The case of *Gillott v. Kettle*, 3 Duer, 624, cited by complainant as 'very close in point', illustrates the rule and its application. There the defendant removed the labels from an inferior quality of pens manufactured by complainant, and affixed other labels which imitated the labels on a superior quality of pens made by complainant. The court held that 'by such a practice the defendant endeavors by a false representation to effect a dishonest purpose; he commits a fraud upon the public and upon the manufacturer.' But here there is no false representation by spurious label or false statement. The label tells the truth, and nothing but the truth. There is no fraud upon the public, for it gets the genuine, identical thing described by the label (*Appollinaris Co. v. Scherer* (C. C.), 27 Fed. 18); there is no fraud upon the manufacturer, for its vendees resell its manufacture, to which it has applied its name (*Vitascope Co. v. United States Phono-*

*graph Co. (C. C.) 83 Fed. 30*), coupled with the statement that it (the vendee) is responsible for the bottling of the manufacture."

In the *Gretsch* case the Gretsch Company had the exclusive agency for the United States of the sale of violin strings made in Germany by Mueller under the name "Eternelle" and with Mueller's approval registered the name as the trade-mark in the United States Patent Office. Schoening purchased such strings in Germany and imported them into the United States. The case arose under Sec. 27 of the Trade-Mark Act as to the importation of merchandise copying or simulating a trade-mark registered in the United States Patent Office. After referring to the two foregoing cases we said:

"The rationale of both decisions is that the defendant in each case was selling the genuine article identified by the trade-mark and the public was not misled, but was getting exactly what it paid for. These decisions, however, were made before the act in question was passed. Assuming that Congress could protect the owner of a registered trade-mark against the importation by third parties of the genuine article under that trade-mark, has it done so? We think not. The Act prohibits the entry of imported merchandise which shall 'copy or simulate' a trade-mark registered under it. The obvious purpose is to protect the public and to prevent anyone from importing goods identified by their registered trade-mark which are not genuine. In this case, however, the imported goods were the genuine articles identified by the trade-mark. We assume that Schoening has a valid trade-mark, even if he does not manufacture the strings, *Menendez v. Holt*, 128 U. S. 514, applying to the whole of the United States and still are of opinion that it is not infringed by one who buys in Ger-

many the genuine article identified by the trade-mark, imports it into the United States and sells it so marked here."

The analogy between patents and trade-marks is not complete. A patent gives the patentee a monopoly to make, sell and use and grant to others the right to make, sell and use the subject patented in the United States for the term of the patent. Hence articles lawfully made, used and sold in foreign countries can not be sold in this country if they infringe the patent. Trade-marks, on the other hand, are intended to show without any time limit the origin of the goods they mark so that the owner and the public may be protected against the sale of one man's goods as the goods of another man. If the goods sold are the genuine goods covered by the trade-mark the rights of the owner of the trade-mark are not infringed.

The order is reversed.

MANTON, *J.*, concurs.

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**Dissenting Opinion of United States Circuit Court of Appeals. Hough, Circuit Judge.**

HOUGH, *C. J.* (*dissenting*). The majority opinion states as the question in this case whether defendant "has not the right to sell this article under the trade-marks which truly indicate its origin". With this statement I agree, but disagree with the meaning given by the decision to the word "origin".

It is not yet settled whether a trade-mark is to



be primarily regarded as protecting the trade-mark owner's business from a species of unfair competition, or protecting the public from imitations.

The decision in this case seems to me to lean the wrong way, because in my opinion a trade-mark is primarily a protection to the owner's business. It is attached to the business, is a part of it, and cannot be detached therefrom; there being no such thing as the transfer of a trade-mark in gross. If this be true it makes no difference whether the plaintiff's business grew out of an agency for another, provided only that it be shown that it is an honest business and belongs to the person who attached, and (perhaps) duly registered the trade-mark, which describes the product of that business.

This plaintiff made a business in Java powder. It is an honest business, and whatever rights the French manufacturer had in the United States became the rights of the plaintiff. If, therefore, the primary function of the trade-mark is to protect this plaintiff's business in his own country, it makes no difference at all that the genuine French article is the thing offered by defendant. That genuine article has become an infringement because the business of dealing in that article within the United States is the plaintiff's business.

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***Per Curiam Opinion of United States  
Circuit Court of Appeals.***

PER CURIAM: We are asked to certify the question involved in this case to the Supreme Court on the ground of its supreme importance in view of the many businesses with their accompanying trade-marks of German citizens, bought during the European war by citizens of this country from the Custodian of Alien Property.

It is not doubted that an American citizen may buy the business of a foreigner in the United States, with its accompanying trade-marks, and having done so may subsequently change the character and quality of the goods at pleasure. But that is not this case. The owner of the trade-mark cannot change them and still assert that they are the actual goods manufactured by the foreigner and imported by him. Such a misrepresentation would deprive him of the protection of the law.

The precise question decided by us has been misapprehended. The trade-marks and labels complained of are those of the French house, and the plaintiff asserts that it is selling under them face powder manufactured by the French house in France and imported by it in bulk and repacked here. It treats this re-packing as a very material consideration.

The defendant says that this is precisely the product made by the French house in France and imported by her in the boxes of the French house with the same trade-marks and labels which she is selling here.

If in the case of *Menendez vs. Holt*, Holt had asserted that he was selling the flour under the trade-mark Favorita which had been made by a miller under that trade-mark, the case would be more like the one under consideration.

It is sought to distinguish the three cases decided in this circuit which we have followed upon what we think a misapprehension of their facts.

It is said that in the *Apollinaris* case that Company was the mere agent of Saxlehner; this is not so. The Company bought the genuine spring water from Saxlehner, imported it into the United States and sold it here as the water of that spring. All that it

owed Saxlehner was the price it agreed to pay; there was no relation whatever of agency. Judge Lacombe, in *91 Fed. Rep. 538*, and Mr. Justice Brown in *179 U. S. 19*, both said that the Company was not Saxlehner's agent.

In the *Le Page* case it was said that the plaintiff owner of the trade-mark sold the Le Page glue to the defendant; this is not so. The plaintiff refused to sell to the defendant, who thereupon bought the glue from third parties in bulk and re-bottled it.

So in the *Gretsch* case it is said that *Schoening* was merely the exclusive agent of Mueller for the sale of his violin strings called "Eternelle", in the United States. The District Judge found that there was an exclusive agency, though the evidence on the subject was very meagre, and we, assuming that to be true and also that Schoening had a valid trade-mark, held, nevertheless, that Gretsch could lawfully import Mueller strings from Germany and sell them here.

*The petition is denied.*

**A. BOURJOIS & COMPANY, INC. v. KATZEL.**

**CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE  
SECOND CIRCUIT.**

**No. 190. Argued January 8, 1923.—Decided January 29, 1923.**

**A foreign manufacturer and vendor of face powder sold to the plain-  
tiff its business and good will in this country, together with its  
trade marks, registered under the Trade Mark Act; the plaintiff**

re-registered the marks and went on with the business here, under the old name, buying the powder from the original concern abroad and selling it in boxes bearing the trade mark, and so built up a profitable trade, the public associating the marks with the plaintiff's goods. The defendant bought and imported the product of the foreign concern in its genuine boxes, which bore labels closely resembling those of the plaintiff, and sold it here. *Held*, that such sales were an infringement of the plaintiff's trade marks and that a preliminary injunction was proper, under §§ 17 and 19 of the Trade Mark Act. P. 691.  
275 Fed. 539, reversed.

CERTIORARI to a decree of the Circuit Court of Appeals reversing an order of the District Court granting a preliminary injunction in a suit to restrain infringement of trade marks.

*Mr. Hans v. Briesen* for petitioner.

*Mr. John B. Doyle*, with whom *Mr. John R. Rafter* was on the brief, for respondent.

MR. JUSTICE HOLMES delivered the opinion of the Court.

This is a bill to restrain the infringement of the trade marks "Java" and "Bourjois" registered in the Patent Office of the United States. A preliminary injunction was granted by the District Court, 274 Fed. 856, but the order was reversed by the Circuit Court of Appeals, one Judge dissenting. 275 Fed. 539. A writ of certiorari was granted by this Court. 257 U. S. 630. In 1913 A. Bourjois & Cie., E. Wertheimer & Cie., Successeurs, doing business in France and also in the United States, sold to the plaintiff for a large sum their business in the United States, with their good will and their trade marks registered in the Patent Office. The latter related particularly to face powder, and included the above words. The plaintiff since its purchase has registered them again and goes

on with the business that it bought, using substantially the same form of box and label as its predecessors and importing its face powder from France. It uses care in selecting colors suitable for the American market, in packing and in keeping up the standard, and has spent much money in advertising, &c., so that the business has grown very great and the labels have come to be understood by the public here as meaning goods coming from the plaintiff. The boxes have upon their backs: "Trade Marks Reg. U. S. Pat. Off. Made in France—Packed in the U. S. A. by A. Bourjois & Co., Inc., of New York, Succ'rs. in the U. S. to A. Bourjois & Cie., and E. Wertheimer & Cie."

The defendant, finding that the rate of exchange enabled her to do so at a profit, bought a large quantity of the same powder in France and is selling it here in the French boxes which closely resemble those used by the plaintiff except that they have not the last quoted statement on the backs, and that the label reads "Poudre de Riz de Java," whereas the plaintiff has found it advisable to strike out the suggestion of rice powder and has "Poudre Java" instead. There is no question that the defendant infringes the plaintiff's rights unless the fact that her boxes and powder are the genuine product of the French concern gives her a right to sell them in the present form.

We are of opinion that the plaintiff's rights are infringed. After the sale the French manufacturers could not have come to the United States and have used their old marks in competition with the plaintiff. That plainly follows from the statute authorizing assignments. Act of February 20, 1905, c. 592, § 10, 33 Stat. 727. If for the purpose of evading the effect of the transfer, it had arranged with the defendant that she should sell with the old label, we suppose that no one would doubt that the contrivance must fail. There is no such conspiracy here,



but, apart from the opening of a door to one, the vendors could not convey their goods free from the restriction to which the vendors were subject. Ownership of the goods does not carry the right to sell them with a specific mark. It does not necessarily carry the right to sell them at all in a given place. If the goods were patented in the United States a dealer who lawfully bought similar goods abroad from one who had a right to make and sell them there could not sell them in the United States. *Boesch v. Gräff*, 133 U. S. 697. The monopoly in that case is more extensive, but we see no sufficient reason for holding that the monopoly of a trade mark, so far as it goes, is less complete. It deals with a delicate matter that may be of great value but that easily is destroyed, and therefore should be protected with corresponding care. It is said that the trade mark here is that of the French house and truly indicates the origin of the goods. But that is not accurate. It is the trade mark of the plaintiff only in the United States and indicates in law, and, it is found, by public understanding, that the goods come from the plaintiff although not made by it. It was sold and could only be sold with the good will of the business that the plaintiff bought. *Eiseman v. Schiffer*, 157 Fed. 473. It stakes the reputation of the plaintiff upon the character of the goods. *Menendez v. Holt*, 128 U. S. 514. The injunction granted by the District Court was proper under §§ 17 and 19 of the Trade Mark Act. Act of February 20, 1905, c. 592, 33 Stat. 724, 728, 729.

*Decree of Circuit Court of Appeals reversed.*